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Leveraged buyouts:
Wall Street's
latest craze, Page 14

World news

Business summary

Fabius defends Jaruzelski meeting

French Prime Minister Laurent Fabius defended, in the French National Assembly, President François Mitterrand's controversial meeting with General Wojciech Jaruzelski, the Polish leader.

The meeting was fiercely opposed by leading French unions, with the exception of the pro-Communist CGT labour confederation, and by the right-wing opposition parties and human rights groups. It also embarrassed the ruling Socialist party.

The Polish leader's diplomatic coup was his first meeting with a leading Western leader since the banning of the Solidarity trade union in 1981. Page 16

Union clash looms

The prospect of a renewed confrontation between the Argentine Government and the main trade union organisation, the General Confederation of Labour, appeared to be looming after a meeting between President Raúl Alfonsín and CGT leader Saul Ubaldini. Page 5

Delhi gas leak

Gas leaking from a chemical factory affected 250 people in New Delhi and caused 30 to be taken to hospital. The leakage triggered panic one day after the anniversary of the Bhopal disaster which killed more than 2,000 people. Page 4

Crash kills 14

All 14 people aboard a Nicaraguan helicopter were killed when it crashed in a combat zone about 150km north-east of Managua. The cause of the crash, in an area where US-backed rebels are fighting government forces, has not been established. Page 4

Caracas floods

Venezuela implemented emergency measures after floods killed 14 people and made thousands homeless in Caracas and nearby coastal areas. Page 4

Rebels free two

Muslim separatist guerrillas freed an American and a West German held hostage in the southern Philippines for more than a year. Page 4

Gibraltar talks

Spain and Britain resume talks over the future of Gibraltar in Madrid today. Page 2

Antwerp blast

Belgium's extreme left-wing Fighting Communist Cells exploded a bomb at the Antwerp branch of the Bank of America. No one was hurt, but damage was extensive. Page 1

Priest attacked

A Roman Catholic priest in Krakow, southern Poland, was beaten by unknown assailants. He is a supporter of the banned Solidarity trade union. Page 1

Nobel alternative

A Norwegian group, angered by the award of the Nobel peace prize to Soviet doctor Yevgeny Chazov, will give an alternative prize to a failed dissident Soviet psychiatrist. Page 1

Tokyo 'bullies' held

A Tokyo police squad formed to deal with a wave of school bullying has arrested 28 boys and girls. Page 1

Sacred art

A decision to move the draw for next summer's World Cup soccer finals from the Palace of Fine Arts in Mexico City silenced the protests of artists and intellectuals fighting to preserve the sanctity of the building. Scotland qualified for the finals with a 0-0 draw against Australia, winning 2-0 on aggregate. Page 1

Wall St jumps by 25.34 to 1484.40

WALL STREET: A late buying spree pushed the Dow Jones industrial average up 25.34 to close at a record 1,484.40. Page 36

LONDON stocks were lower as new share issues drained the market of funds. The FT Ordinary share index slipped 12.5 to 1,115.8 and the FT-SE 100 dropped 16 to 1,399.5. Page 36

TOKYO: Blue chips were sought in late trading. The Nikkei average closed up 36.65 at 12,811.20. Page 36

DOLLAR closed in New York at DM 2.5155, SF 2.0935, FF 1.7578 and 202.45. In London it closed at DM 2.519, DM 2.5335, SF 2.095 (SF 2.112), FF 1.7625 (FF 1.725) and 202.6 (204.4). On Bank of England figures the dollar's index fell to 126.7 from 127.4. Page 29

STERLING closed in New York at \$1.4875. In London it had gained 70 points to close at \$1.4865 but fell to DM 3.745 (DM 3.7475), SF 3.115 (SF 3.125), FF 1.142 (FF 1.143) and 301.25 (303.0). The pound's exchange rate index fell 0.2 to 81.2. Page 29

GOLD rose 75 cents on the London bullion market to \$323.50 and was \$1.40 higher in Zurich at \$324.45. In New York the Comex February settlement was \$325.78. Page 28

US SENATE passed emergency legislation to reorganise the troubled farm credit system, allowing the Farm Credit Administration more authority and paving the way for federal aid if structural changes in the system are not enough to save it from disaster. Page 5

GATT textile committee was given an assurance by the US that President Ronald Reagan would almost certainly veto the attempt by Congress to pass a sharply protectionist bill over imports of textiles and clothes from developing countries. Page 5

AMERADA HESS, US integrated petroleum group, said it is to take a \$400m after tax charge against its restructuring of refining and marketing operations. Page 5

WELLCOME Foundation, British drug group which plans a flotation next month, lifted pre-tax profits for the year by 37 per cent to \$121.7m (\$190.1m). Page 20; Lex, Page 16

SAATCHI & SAATCHI, Britain's largest advertising agency, lifted pre-tax profits to a record \$240.45m (\$39.8m) in the year to September 1985, compared with \$18.31m last year. Page 20; Lex, Page 16

BOC, British gases and health care products group, reported higher pre-tax profits of £171.3m (£233.5m) in the year to September 1985, compared with £137.8m last year. Page 20; Lex, Page 16

BELL GROUP, master company of Robert Holmes & Court, will not launch an all-out bid for BHP, Australia's biggest concern, but will retain its 17 per cent stake and seek some influence on management. Page 16

MANNESSMANN, West German engineering and steel pipes group, has forecast improved year-end profits after announcing a 12 per cent rise in turnover for the first nine months of this year. Page 17

VOLKSWAGEN, West German motor vehicle manufacturer, plans to step up production next year by introducing work on some Saturdays as well as during the normal summer holiday shutdown. Page 17

EEC Commission in Brussels approved state operating subsidies worth DM 477m (\$190m) to Arbed Saarstahl, the troubled West German steel company. Page 1

LLOYDS BANK raised £125m (\$185m) by selling its 18.4 per cent stake in the Royal Bank of Scotland through a stock market placing. Page 1

EEC reform package brings relief and disappointment

THE HARD-FOUGHT package of EEC reforms agreed by Community leaders was greeted by Mr Jacques Delors, the European Commission president, yesterday as "a compromise which means progress," writes Quentin Peel in Brussels.

Initial reaction to the measures, approved in principle early yesterday morning after almost 20 hours of talks and one of the longest summits on record, was of both relief and muted disappointment from the opposite ends of the reform spectrum.

The package remains in the balance, however, with major reservations from both Italy, which thought it too cautious, and Denmark, which thought it too radical. EEC foreign ministers will meet again in two weeks' time in an effort to resolve the outstanding problems.

If finalised, the reforms will greatly expand the areas of decision-making open to majority voting, instead of the present requirement for unanimity, on national matters to a genuine common market. They will also give the European parliament more involvement in decisions, but keep the final word for the Council of Ministers, the member states' executive body.

Mr Delors tempered his initial response given in the early hours of the morning, when he declared: "Tonight everyone who belongs to Europe has reason to be satisfied." He said later that the Commission "was hoping for something better. But they have achieved a compromise and it is up to the Commission to make it dynamic."

Commission officials also reflected some satisfaction that the reforms would speed up decision-making and grant new competence to the EEC institutions. Promotion of technology and protection of the environment, as well as monetary affairs, would be included for the first time in the Treaty of Rome.

The sharpest disappointment came yesterday from the European parliament and the Italian Government, the two proponents of the most sweeping reforms.

Mr Pierre Pflimlin, the president of the European parliament, said the outcome was "a great disappointment," and that the EEC leaders had missed "an historic opportunity (to) take a step towards European unity."

Mr Bettino Craxi, the Italian Prime Minister, has made his Government's backing for the package conditional on European parliamentary approval - giving the assembly a virtual power of veto. He was sharply critical of the failure to give MEPs more powers.

The parliament will vote next week on the measures at its monthly session in Strasbourg. Initial reaction from political groups was mainly hostile.

Mr Egon Klepach, leader of the Christian Democrat group, the largest in the centre-majority, said it was "less than we wanted but more than we feared." Mr Christian de la Malène, the French Gaullist leader, noted "a few little steps forward on the Common Market."

The parliament's institutional committee voted yesterday to urge next week's plenary meeting to reject the Luxembourg agreement.

The Danish reservation is linked to the hostility of a majority in the Danish Folketing (parliament) to any treaty amendment, but Mr Poul Schlüter, the Prime Minister, was obviously fairly pleased by the outcome, because it did not represent any significant erosion of national sovereignty.

The package required compromises from all the EEC leaders, including Mrs Margaret Thatcher, the British Prime Minister.

The fudge tastes sweet, Page 3; Editorial comment, Page 14

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The fudge tastes sweet, Page 3; Editorial comment, Page 14

Flick family will sell out to Deutsche Bank ahead of flotation

BY JONATHAN CARR IN FRANKFURT

FLICK, the diversified West German industrial company, has agreed to a takeover proposal from Deutsche Bank, the country's biggest bank. Shares in Flick are to be offered to the public by the bank in what is believed to be the country's largest such deal.

The exact value of the family-owned group, active in fields from chemicals to weaponry, is not known but stock market estimates go as high as \$5m (\$2bn).

Deutsche Bank said it aimed to complete the acquisition by the end of the year after Flick had been transformed into a joint stock company, and then make a public share issue.

Details of the placement will be given in the new year, but the bank made clear that Flick's holdings in other companies would also be offered to the public.

"These include a stake of some 10 per cent in Daimler-Benz, the vehicle manufacturer, and of more than 25 per cent in W. R. Grace, the diversified US company. The Daimler stake is valued at more than DM 2.4bn.

In an open letter to "business friends" released yesterday, the group's owner, Mr Friedrich Flick, gave mainly business and tax reasons for the sale.

He said the change to a new joint stock structure - at a time of buoyant capital markets - was in the long-term interests of the group and its employees.

Moreover, taxes on private entrepreneurial property were so heavy that they would eventually have put an "intolerable burden" on the group and threatened its existence.

Mr Flick, aged 58 and the son of the founder, also said the group would no longer be secure in its new format against "generational change" at the top. He said he was glad a "German solution" could be found, implying that foreigners had also been seeking to buy up parts of Flick.

Apart from those factors, there has long been speculation that Mr Flick might step out of the business - above all because of the "political payoffs" scandal with which the group has been associated.

This speculation was partly confirmed earlier this year when the group sold off most of its stake in Krauss Maffei, the engineering and arms manufacturer, to the MBB aerospace group.

It was thought that further Flick interests would be sold off in due course, but yesterday's news that the group was being disposed of in its entirety still came as a surprise.

Last year the group (made up of those companies in which Flick has



Mr Friedrich Flick

a majority stake) recorded net profit of DM 206m on sales revenue up by 5.7 per cent to DM 10.5bn. This made it the country's 28th largest industrial group in terms of sales.

Total world sales - including those enterprises in which Flick has a stake of 20 per cent or more - were up from DM 20.3bn to DM 21.8bn.

Flick's majority-owned companies include Feldmühle, Germany's biggest paper manufacturer, Dynamit Nobel, the chemicals concern, and the Buderus iron and steel group.

Mr Flick will retain only one interest from the diversified empire, an indirect stake in the Gerling insurance group.

One key element of the Flick political payoffs scandal had its origin in the group's sale of 28 per cent of its stake in Daimler-Benz a decade ago for an estimated DM 1.5bn.

"Flick was given tax 'holidays' by the Bonn Government on DM 800m of the Daimler proceeds it invested in W. R. Grace. Bonn accepted that the investment was in the country's 'general economic interest'."

Two former economics ministers, Mr Hans Friderichs and Count Otto Lambsdorff, face charges that they were involved in their decision to grant the tax breaks by payments from Flick.

Both men have strongly protested their innocence. But Count Lambsdorff had to step down as minister more than a year ago because of the charges, and Mr Friderichs resigned as chief executive of Dresdner Bank - a post he had taken up on leaving Bonn.

Stock market report, Page 36

Singapore braced for heavy selling

BY CHRIS SHERWELL IN SINGAPORE

A WAVE of selling is expected when trading on the Singapore and Kuala Lumpur stock exchanges resumes today after an unprecedented three-day closure.

Confirmation that Kuala Lumpur would follow Singapore's move to reopen the market came yesterday from Mr Daim Zainuddin, Malaysia's Finance Minister.

As in Singapore, trading in Kuala Lumpur will be on an immediate delivery basis only, a decision which will dampen speculative activity and prevent "short" selling.

In Singapore, a newly appointed supervisory committee for the stock exchange pledged last night that all obligations of the exchange's member firms would be honoured.

The committee was conceived in talks this week between the Monetary Authority of Singapore, the island state's main domestic banks and the local stockbrokers. It is dominated by the banks and seems likely to wield more power than

previously suggested.

Worries about trading conditions today were compounded by the disclosure yesterday that at least one bank in Singapore had refused to honour the cheques of a local broker which had reached the limits of its credit line. In Malaysia, brokers were once again reported to be refusing to accept scrip.

The suspension of trading in Singapore was called last Sunday in anticipation of a chain of default by local broking firms. These fears sprang from the placing in receivership of Pan-Electric Industries, a marine salvage, hotel and property group which could not meet commitments to buy large blocks of share in other companies.

AP reports from Kuala Lumpur: Malaysian banks agreed late last night to provide standby credit of 150m ringgits (\$82m) to the Kuala Lumpur stock exchange in case brokers need funds when trading resumes today.

US depressed dollar with \$3.2bn sales

By Paul Taylor in New York

THE US monetary authorities spent \$3.2bn intervening in the foreign exchange markets to help to push the dollar lower in the six weeks after the Group of Five (G5) meeting of senior Western finance ministers on September 22.

The figures, released yesterday by the Federal Reserve Board, represent the first official report on the level of co-ordinated central bank foreign exchange intervention after the G5 meeting. The G5 participants agreed, among other things, to act together to try to force an orderly depreciation of the dollar to help stimulate the flagging US economy.

The level of US intervention after the G5 meeting was the highest since August-October 1980, when \$3.4bn was sold, and appears to put to rest earlier market doubts at the time about how actively the US

Continued on Page 16

Money markets, Page 29

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EUROPEAN NEWS

German livestock owner to fight subsidy awards

A WEST GERMAN businessman who keeps a few sheep in his back garden is preparing to fight one of Europe's more unusual court battles, Reuter reports from Münster. He wants the Government to stop subsidising him.

When Mr Günther Roettinger and his wife Vera bought the sheep in 1981, they only wanted to save themselves the bother of mowing the grass on their estate. For three years no one gave a second thought to the small flock that chomped its way round the garden. Then Europe's agricultural bureaucracy cranked into action.

The local farmers' co-operative wrote to say he had automatically become a member and demanded fees. That in turn qualified him for a generous package of subsidies and other benefits from the Government and the European Community.

But Mr Roettinger, 46, who runs a company that manufactures engine filters, did not want to be a member. Nor did he want taxpayers' money to subsidise his sheep. He is suing the co-operative to prevent both.

It could be a long battle. He is determined to go as far as the Federal Constitutional Court if necessary. Mr Roettinger, a Christian Democrat driven by his opposition to what he sees as an excessive bureaucracy and misallocation of taxpayers' money, says he wants to expose the more absurd aspects of Europe's agricultural policy.

"Subsidies are without doubt vital in some cases," he said at his luxurious converted farmhouse. "But it's complete madness that they give money to me, a businessman who doesn't need it."

What constitutes a farmer is the first bone of contention. Mr Roettinger maintains he is not a farmer because his sheep are only a hobby and bring him no income. The law says that his one-hectare (2.5 acres)

estate and his sheep mean that he is.

"Sheer bureaucratic nonsense," he retorts.

Being a farmer in welfare-conscious West Germany, however unwillingly, means that he is obliged by law to join the local farmers co-operative, effectively an insurance fund to pay pensions and protect against accidents.

That is where the subsidies problem begins. The co-operatives receive a huge cash injection from the Bonn Government, worth about DM 400m (\$199m) this year.

In Mr Roettinger's case, Bonn paid part of his 1983 membership fee of DM 194, even though, as he readily admits, he can well afford it himself.

A Social Affairs Ministry spokesman familiar with the case conceded that Mr Roettinger did not need state-backed insurance or government subsidies, although many small farmers did. "We can't make exceptions for those who don't want protection," he said.

On top of the cash from Bonn comes the offer of money from the Community. Although it is chronically short of funds, Mr Roettinger can draw DM 30 for each ewe in his flock this year if he has at least 10. Were he to apply for the aid, it would cover his insurance contributions and leave him with a profit.

"I'm not concerned about the money," Mr Roettinger said. "It's the system behind it that bothers me. It's madness that they first empty people's pockets with high taxes and then give back a little to everyone through roundabout channels."

Chancellor Helmut Kohl's centre-right Government would agree. It is working on an extensive overhaul of the tax system that will cut rates across the board and remove many of the subsidies given to special interest groups.

David White in Madrid reports on the controversy over the head of Spain's Rumasa Political tinge to Ruiz-Mateos hearings

IF THERE is one certainty about the legal proceedings against Mr Jose Maria Ruiz-Mateos, extradited from West Germany last weekend almost three years after the Spanish Government seized his many-faceted business empire, it is that they will not proceed quietly.

Mr Ruiz-Mateos, 54, is convinced to the point of obsession that his abilities are still needed in Spain, and clearly believes there will be a wave of public support behind him.

Just as clearly, the Socialist authorities are worried about such a swing of opinion. They took the trouble to charter a special jet to whisk Mr Ruiz-Mateos back from Frankfurt, behind the backs of the waiting press. Since then, to the exasperation of his defence team, he has been kept at a maximum security prison outside Madrid.

The expropriation of his Rumasa banking and industrial group, which the Government argued was in danger of causing a national financial crisis, provided an opportunity for the most conservative sectors in Spain to denounce the excesses of Socialism.

Many of the several hundred who demonstrated in sympathy at the High Court building where the hearings were going on this week were from far-

Right groups. Mr Ruiz-Mateos built up his business from scratch during the economic boom period of the Franco dictatorship.

The danger of his being adopted as a hero by the "ultra" Right is recognised by his chief lawyer, Mr Arthur Teele. Fearing that extremist connections would undermine Mr Ruiz-Mateos's case, he insisted that the Spanish lawyer appointed to head the penal team — a well-known Right-winger who defended some of the army officers involved in Spain's 1981 coup attempt — should be immediately replaced.

This was the latest of a series of upsets in Mr Ruiz-Mateos's defence arrangements. Others have been over payment. Nobody knows how much money Mr Ruiz-Mateos still has, but he is known to be constantly concerned about expense.

The case is dominated by two unusual personalities — the defendant's and that of the examining magistrate, Judge Luis Larga, who is in charge of investigating monetary offences and shows every sign of enjoying the limelight.

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Mr Ruiz-Mateos: convicted of support

The man he now confronts directly for the first time is a messianic figure, who sees himself as the creator of tens of thousands of jobs, now being hounded for the sake of trifles. He believes entry into the EEC will be disastrous for Spain and that the country will somehow turn to him.

According to Mr Teele, Mr Ruiz-Mateos wants to work out an agreement under which he can do business again in Spain. But, in such a politically loaded atmosphere, Mr Teele is asking a provocative question: "Can there be justice in the case of Ruiz-Mateos?"

He adds: "I have learnt one thing in Spain — the legal rules

are being determined as we go along."

This black American lawyer, who was Under-secretary for Transportation in the first Reagan Administration, and whose Miami law firm had worked for Rumasa in Latin America, has been dealing directly with the case since August and is charged with co-ordinating the defence.

He says his position all along has been that Mr Ruiz-Mateos should return to Spain to clear his name. However, a voluntary return would have exposed the former Rumasa chairman to more, and more serious, charges.

Under extradition rules he can be tried for the moment only on the two specific charges on which the West German courts accepted the extradition request.

These involve the alleged establishment of fictitious accounts for internal purposes in the Rumasa holding company and in subsidiary banks. There is no allegation of personal benefit arising from these supposed irregularities.

According to Mr Teele, nobody has ever been sentenced to prison in Spain on such offences, and Mr Ruiz-Mateos might at most receive a suspended sentence.

Civil cases are also waiting to be resolved. In Spain, the constitutional court has to decide

on a second appeal against the expropriation of Rumasa. Mr Ruiz-Mateos's Spanish lawyers are optimistic on the outcome, but Mr Teele is not. Several issues are under litigation abroad, including a wrangle in the UK over ownership of the brand name of Dry Sack sherry.

The conservative Spanish opposition party Popular Alliance, which opposed the expropriation, has meanwhile set up a committee to look into the way Mr Ruiz-Mateos's companies have been sold off by the Government to new private-sector owners.

Mr Teele's worry is whether or not he can prevent the case from blowing up into "a political circus." He says he has advised Mr Ruiz-Mateos to "turn down the heat" for the time being, to see how a "serious defence" prospers. He believes the Government has a weak case, since it has to prove that Ruiz-Mateos knew of the alleged irregularities.

If the case drags on into a long political process, however, he fears that Mr Ruiz-Mateos will become "uncontrollable" and begin to unleash counter-accusations, based on documents he claims to have in his possession or that of his family and friends, against some very prominent people.

Spain looks for progress in Gibraltar discussions

By David White in Madrid

THE SPANISH Government is anxious for a positive outcome from talks today and tomorrow with Sir Geoffrey Howe, the British Foreign Secretary, in which the two sides will begin to tackle the long-term issue of the sovereignty of Gibraltar.

Evidence of progress on the Gibraltar issue is seen as being an important factor in the efforts of Madrid's Socialist administration to bring public opinion around to supporting continued membership of the state in the referendum due to be held in the spring.

Failing this, any blockage in the negotiating process set up after the Anglo-Spanish "Brussels declaration" of November last year would risk souring King Juan Carlos's state visit to Britain next year, the first by a Spanish monarch for 80 years. Britain, however, regards significant breakthroughs unlikely at this week's talks.

The Gibraltar discussions, which provide the main focus of Sir Geoffrey's visit, are the first at ministerial level since February, when the border between Gibraltar and Spain was fully opened after 18 years of Spanish restrictions. However, Sir Geoffrey has already established what appears to be a good relationship with his new Spanish opposite number, Mr Francisco Fernandez.

He is expected to reply to proposals from Madrid on two possible formulas for a sovereignty settlement: a long Non-Sovereignty leaseback or a condominium between Britain and Spain. The issue is conditional, however, on acceptance by the Gibraltarians.

The sovereignty question, which Spain has insisted on since the 1969 declaration, is reserved for ministerial-level discussion. Lower-level talks have made progress on most of the chapters of regional co-operation set out in the declaration, with the exception of military co-operation.

Both sides underline the "constructive" atmosphere of these talks. They include studies on joint civilian use of the colony's RAF-controlled air-strip, with a view to starting flights between Spain and Gibraltar. The Spanish airline Iberia is also interested in the Gibraltar route, but "an agreement on the airport still appears some way off."

Robert Mauthner adds: Sir Geoffrey is expected to tell his Spanish opposite number that Britain considers any detailed discussions over future sovereignty over Gibraltar to be premature.

He does not deny the right of Spain to bring up the subject and is prepared to have continuing discussions about it, but he will not want to talk about specific proposals.

The fundamental British position is that any transfer of sovereignty must be fully endorsed by the Gibraltarians, a point spelled out in the Brussels declaration.

Spanish complaints about the lack of contact between the prime ministers of the two countries have been treated with sympathy by London. It is hoped that Mrs Margaret Thatcher will visit Spain for talks with Mr Felipe Gonzalez next autumn, but no date has been fixed.

Brandt plea against university purge

BY LESLIE COLLITT IN BERLIN

MR WILLY BRANDT, head of the West German Social Democratic Party (SPD), will urge the Polish leadership not to purge academics from Polish universities, when he visits the country this week.

Mr Hans-Jochen Vogel, deputy chairman of the SPD, said Mr Brandt would raise the issue of disident Polish academics who faced possible dismissal under a new uni-

versity law.

The former German Chancellor will mark the 15th anniversary in Warsaw on Saturday of the signing of the Polish-West German Treaty to normalise relations. Earlier, he declined an invitation from Mr Lech Walesa, leader of the banned Solidarity trade union, to visit Gdansk.

Mr Walesa said the two men,

both Nobel Peace Prize winners, should place wreaths at the Westerplatte Memorial, which marks the outbreak of the Second World War, and at the memorial to workers who died in the Gdansk uprising of 1970 only a few weeks after the Polish-German Treaty was signed.

Mr Brandt wrote to Mr Walesa saying that his schedule did not allow time to visit Gdansk.

Polish earnings shortfall blamed for imports cuts

BY CHRISTOPHER BOBINSKI IN WARSAW

MR KAZIMIERZ GLAZEWSKI, head of Poland's foreign trade bank, Bank Handlowy, has told company managers who are protesting about delays in drawing out hard currency purchases that the expected \$700m shortfall in export earnings this year, and foreign debt service priorities, have led to cuts in imports.

Last week the Polish parliament was presented with figures by Mr Stanislaw Niekarcz, Finance Minister, which seek to suggest that this year's export shortfall will be covered in part by nearly \$500m worth of cuts in imports and a big rise in earnings on services.

Against this background, Polish exporters continue to complain vociferously at the failure of the country's Foreign Trade Ministry to implement management reforms.

A meeting organised by the Polish Chamber of Commerce was held this week by one exporter that constant interference by the ministry made long-term planning of trade impossible.

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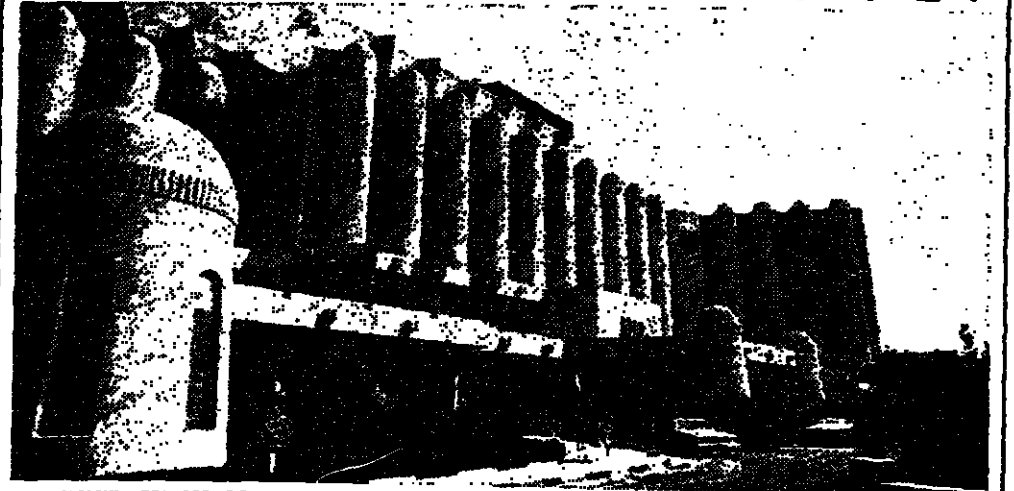
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Denmark dampens domestic demand

By Hilary Barnes in Copenhagen

INCREASES IN energy taxes, restrictions on mortgage credit financing and cuts in public sector construction projects were announced by the Danish Government yesterday.

They will reduce domestic demand next year by about Dkr 5bn (£588m), or just over 1 per cent of the gross domestic product, bringing down the deficit in the current account of the balance of payments from Dkr 22bn this year to about Dkr 16bn.

Mr Poul Schlüter, the Prime Minister, said the measures are an adjustment to keep the Government's long term policy for economic reconstruction on course. They will curb the external deficit but allow unemployment to continue to fall.

The minority Government appears to be assured of a majority in Parliament for the measures, which will be rushed through before Christmas.

The increase in energy taxes, including a rise in the price of petrol and electricity, will yield about Dkr 5bn in a full year.

Local government is to be made to pay a "tax" of 10 per cent on 1986 investment budgets, and its central government grants will be cut. The state will reduce its budget by about Dkr 1.5bn.

Restrictions on mortgage credit will hit mainly supplementary mortgages.

The measures will have what the Prime Minister described as "a sensational" effect on the budget deficit. It is now expected to fall to Dkr 14.5bn next year compared with the Dkr 26bn estimated in the August budget and a deficit of Dkr 53bn as recently as 1983.

Despite the tightening of fiscal policy, gross domestic product will increase by about 3 per cent again in 1986, indicating a 2 per cent increase in private consumption, 9 per cent in business investment, and a rise in exports of just under 6 per cent, according to the government forecasts.

West German unemployment reaches 8.9%

By Rupert Cornwell in Bonn

WEST GERMAN unemployment rose by almost 62,000 last month to stand at 2.21m, or 8.9 per cent, of the workforce. Although the onset of winter is held partly responsible, the figure is still the worst for any November in recent West German history.

The Federal Labour Office in Nuremberg reporting this yesterday, claimed that underlying trends showed the gradual improvement on the job market since mid-year continuing. Notified vacancies, at just over 110,000, were 35 per cent up on a year earlier.

Even so, Mr Heinrich Franke, president of the Labour Office, estimates average unemployment for 1985 will come out at 2.3m, an all-time record.

But the Hamburg-based IFA economic institute forecast yesterday that the economic upswing here would create some 250,000 new jobs in 1986.

Community fudge tastes sweet to most member governments

BY QUENTIN PEEL IN BRUSSELS

THE OUTCOME of the EEC summit in Luxembourg could never be described as clear. Like many Community decisions, it was a deliberate fudge, designed to keep a disparate crew of 12 heads of state and government in the same boat.

It cannot be described as meaningless or unimportant either. Broad agreement on a whole raft of amendments to the Treaty of Rome, the EEC's constitution, will almost certainly have profound long-term effects on both the shape and style of the Community.

The EEC leaders reached provisional agreement on 10 subjects, ranging from a new treaty for co-operation on foreign policy to new voting procedures for decisions to liberalise internal trade, and new powers for the European Parliament.

New chapters would also bring technology, the environment, and monetary affairs into the Treaty for the first time, and spell out the aims of

regional investment in the poorest areas, including inner cities.

At the same time they were left with two member states—Denmark and Italy—placing sweeping reservations on the package, which may prove very difficult to remove.

There are notable holes left in the text, specific reservations on voting by majority on particular issues like liberalisation of air transport, and what to do if the Council of Ministers fails to respect a three-month deadline for decision-making. They have now to be resolved by the foreign ministers in two weeks' time.

No treaty amendment is possible without unanimity, and without ratification by all the national parliaments. After January 1, that will include Spain and Portugal. It is perfectly possible that the package will not become full-scale treaty revision in the very near future.

On the other hand, the EEC leaders have invested a great

EEC SUMMIT LUXEMBOURG

deal of their own and their top advisers' energy in the exercise. They negotiated virtually non-stop for more than 14 hours on Tuesday, after about six hours on Monday—to their own amazement and, in a peculiar way, enjoyment.

"It has been a very good day," Mr Andreas Papandreu, the normally tempestuous Greek Prime Minister, said when they finished after midnight. "Nobody got just what they wanted. Everybody had to make compromises. It was a real negotiation."

To put 12 government leaders

to negotiate highly detailed amendments to their constitution without any officials in the room (only their foreign ministers) was an absurdity, as Mrs Margaret Thatcher, the British Prime Minister, and others like Chancellor Helmut Kohl of West Germany, kept pointing out. But they knew that if they wanted a result, there was no alternative.

Mr Bettino Craxi of Italy, and Mr Poul Schlüter of Denmark, have not endorsed the deal. The former has virtually given the European Parliament the power to block it, by tying his ultimate approval to parliamentary approval. Mr Schlüter is bound by a Danish parliamentary majority apparently determined to reject any treaty amendment.

Yet even those two have put their political weight into the reform process to an extent where they may find it very hard to pull out. And the other leaders will certainly put them under a lot of pressure.

THE EEC heads of government are studying a proposal to cut down the number of annual summits—known as European Council meetings—from three to two, according to officials in London, writes our Foreign Staff. Without waiting for their final decision, Mr Rudi Lubbers, the Netherlands Prime Minister, who will take over the presidency of the Community's Council of Ministers on January 1, is already understood to have decided not to have a European summit in March, as originally scheduled. If this is confirmed, next year's summit would take place only in June and December.

Next week will see a reaction from the European Parliament, the body which has consistently demanded a full power of co-decision-making with the Council of Ministers—backed only by Italy. If the MEPs are consistent, they will reject the package, but they must know that the alternative is likely to be no reforms for them for a long while.

The same is not necessarily true for the rest of the package. Without treaty amendment, decisions to remove national barriers to the common market cannot be taken by majority voting rather than unanimity. But the whole system can be much more flexibly applied.

British proposals submitted before the 27th summit would streamline procedures without treaty amendment. They would make it much easier to call majority votes where they are allowed. They would try to get member states to abstain instead of impose unanimity.

The Netherlands and Britain are the next two countries in the EEC presidency chair. Both would be inclined to speed up the internal procedures, with or without the treaty amend-

ments. An amended pre-Milan package for streamlining Council procedures will now probably go to the foreign ministers in the near future.

The treaty amendments include, for example, a new chapter on promotion of high technology. The new procedures for a multiannual framework programme combined with specific programmes could be carried out without actual amendment.

The first stop on the path ahead will be the foreign ministers' meeting. Then comes the detailed legal drafting stage, which will mostly consist of precise linguistics and semantics, but could deal with some political problems too.

Finally the national parliaments must ratify the whole exercise before the Treaty of Rome can be changed for good. The likelihood is that that will happen sooner or later along the lines agreed—but more probably later.

Council retains the last word

BY IVO DAWNAY IN BRUSSELS

CHANGES to EEC legislative procedures aimed at enhancing the role of the European Parliament still ensure that the final word rests with the Council of Ministers.

Moreover, though the Parliament will have a greater influence on new regulations, the plans create the possibility of further stalemates between the institutions that could hinder the avowed objective of speeding decision-making.

Currently, the Parliament only has the right to give an opinion on most of the Commission's legislative proposals.

The new plan offers the Parliament some scope for extending its influence—but only over those areas of the

Treaty which form part of the reform package.

The first phase of the new procedure would work as now—the Commission will make a proposal, the Parliament issue an opinion and the Council arrive at a "common position".

The new opportunity for parliamentary influence is that within three months it can amend a Council "position". If the Commission accepts the parliamentary amendment, then the Council can only reject it by a unanimous decision. It can accept the amendment by a qualified majority.

This procedure would give the Commission and the Parliament the opportunity to join forces to alter Council decisions in alliance with a

qualified majority of member states. It would almost certainly inject a greater fluidity into Community policies than currently exists.

The provisions also require that the Council takes a decision within three months of the Commission resubmitting the proposal for discussion. However, as the final outcome of the summit points out, there remains a legal vacuum as to what should take place if the Council misses the three-month deadline for a decision on the Parliament's amendments.

Furthermore, other questions are also unanswered. What happens for example if the Council can only muster a qualified majority to reject an amended Commission proposal at the second reading?

Rule changes to speed up decision-making

BY PAUL CHEESERIGHT IN BRUSSELS

SIGNIFICANT changes in the Treaty of Rome agreed at the Luxembourg summit open the way towards more rapid decisions on measures designed to create a genuinely open internal market by the end of 1992.

This has been done substituting majority voting for the unanimity required by the relevant clauses in the current Treaty. Then the exceptions—the derogations in Community law still requiring unanimous decisions are spelt out, covering, inter alia, veterinary controls and common tax rules.

However, the existence of a procedure for majority voting does not immediately indicate that the frontiers will come tumbling down.

There can be a majority against liberalisation of restrictions just as well as for libe-

ralisation. If the UK and the Netherlands today were to demand a majority vote on greater freedom to provide insurance services, they would probably not get it.

That said, the Community leaders have stated quite clearly that measures will be adopted to establish the internal market in the course of a period expiring on December 31 1992. They have also defined the internal market as "an area without frontiers in which the free movement of goods, persons and services and capital is ensured in accordance with the provisions of the Treaty of Rome."

The word "persons" is difficult, but is taken to mean working people.

The specific articles of the Treaty where the need for unan-

imity has been removed cover:

- The protection of savings and the granting of credit, the exercise of the banking profession and the conditions related to medical and allied professions; (Article 57).
- The freedom to provide services; (Article 59).
- Freedom of capital movements; (Article 70).
- Sea and air transport; (Article 84).

For all of these areas European Commission proposals are on the table, either subject to debate, waiting for action or stalled.

But when it comes to turnover taxes, indirect taxation and excise duties, the unanimity rule still applies. That is softened to some degree by a commitment to respect the internal market timetable where

harmonisation of national rules is necessary to ensure the establishment and the operation of the internal market.

There is a catch-all article in the Treaty Article 100, permitting Community countries to harmonise what they desire, provided they do it unanimously.

That is to be qualified, again with majority voting but unanimity will remain for "fiscal provisions to those relating to the free movement of persons over to those relating to the rights and interests of employed persons."

In cases where a member state cannot accept a harmonisation directive adopted by majority voting, it can appeal for exemption first to the European Commission and then, if necessary to the European Court.

French foreign debt falls by 8% in third quarter

BY PAUL BETTS IN PARIS

FRANCE'S OVERALL foreign medium and long-term debt fell by 8 per cent in the third quarter of this year as a result of the dollar value of the dollar and a higher level of French external loan repayments.

The total foreign medium and long-term debt declined by Ffr 44bn (£3.8bn) to Ffr 488bn at the end of September from Ffr 532bn at the end of June, according to Finance Ministry figures published yesterday which record the foreign debt figures on a quarterly basis for the first time.

Pierre Berégovoy, the Finance and Economy Minister, said that the debt figures would from now be published on a quarterly rather than half-yearly basis as part of the Government's general effort to improve economic and financial reporting.

The country's net external debt (the overall debt total minus export credits and other public sector loans abroad) also declined sharply in the third quarter by Ffr 46bn from a

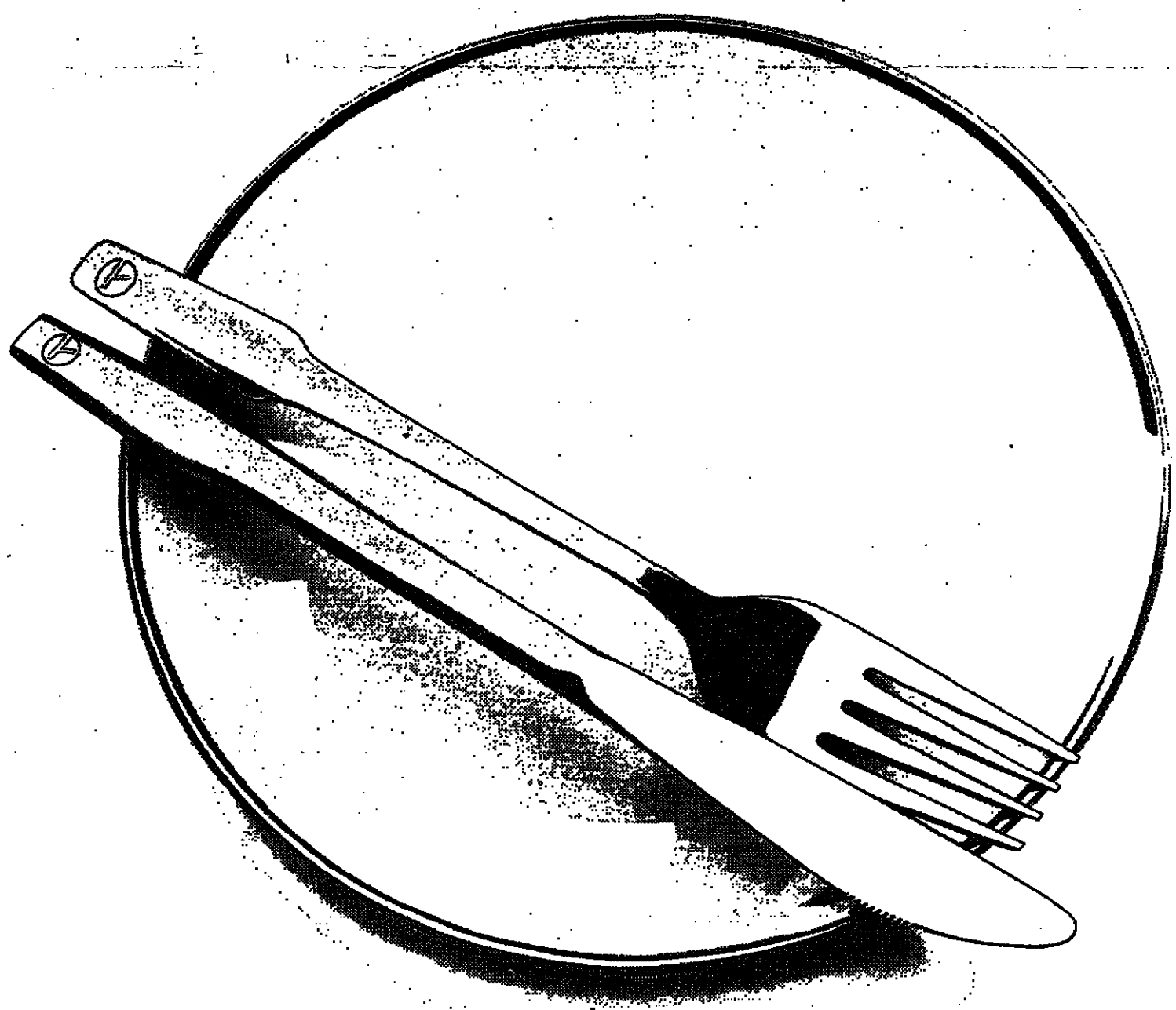
revised total of Ffr 228bn at the end of June to Ffr 182bn at the end of September. The Finance Ministry said this net external indebtedness had to be compared with French foreign exchange and gold reserves of Ffr 460bn at the end of September.

The fall in the average value of the dollar from Ffr 9.30 to Ffr 8.17 in the third quarter was one of the main reasons for the decline in the overall debt. France has also used its high level of reserves to repay early some of the external borrowings built up by the Government in 1983-84.

The Ministry also said that foreign debt directly contracted by the state declined by 24 per cent to Ffr 53bn at the end of September compared with Ffr 70bn on June 30.

The good performance of the French franc on foreign exchange markets, the improvement in French inflation and economic performance prompted the Government to decide further exchange controls at the beginning of this week.

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OVERSEAS NEWS

World's nuclear testing ground begins to fight back

THE SENTENCING last month of two French secret service agents accused of sinking the Rainbow Warrior in Auckland harbour last July signals the end of "L'Affaire Greenpeace". It does not, however, end France's problems in the South Pacific, where protests against French nuclear testing are growing. They are linked to a more general demand for a nuclear-free Pacific affecting not just France but also American and British interests.

The growing anti-nuclear movement in the area is likely to be given a boost later this month when an Australian Royal Commission is expected to publish a highly critical report on the aftermath of the British atomic tests conducted in South Australia in the late 1950s.

Britain will be faced with a demand for substantial compensation for aborigines affected by the tests and huge sums to decontaminate the area.

Another milestone for the anti-nuclear lobby will be the introduction of legislation in New Zealand's parliament later this month banning nuclear-powered and nuclear-armed vessels from the country's ports.

The ban will affect US and British ships in the Pacific. The ban has come at a particularly difficult time for the US, whose military bases in the Philippines — Subic Bay and Clark Air Base — are threatened by political and economic instability.

American predominance in the Pacific is also threatened by the Soviet Union, whose own

Alain Cass, recently in the South Pacific, reports on the growing movement to reduce nuclear activities in the area by foreign powers

nuclear fleet is ranging deeper into the region from its bases at Vladivostok, Petropavlovsk and the recently-acquired facilities in Vietnam.

Moscow has concluded or is negotiating fishing agreements with a number of Pacific islands, a move which the State Department described as an "ambitious effort to establish a foothold in the South Pacific".

The row, which threatens the 35-year-old ANZUS military pact between New Zealand, Australia and the US, has led Washington to call for joint military exercises and to ban Mr Lange's Government from receiving American intelligence reports.

The quiescent tilt by Mr David Lange, New Zealand's Prime Minister, at the US is not an isolated incident, however. An increasing number of nations in the region feel that the Pacific has borne the brunt of the nuclear age and the time has come to do something about it.

The US now says that it will end its defence obligations to New Zealand but preserve the ANZUS pact if Wellington passes a law banning nuclear ships and weapons from its territory.

Since 1946 more than 250 atomic and hydrogen bombs have been detonated in the Pacific by the US, Britain and France. This year marks both the 40th anniversary of the atomic bombing of Hiroshima and the 31st anniversary of the first H-bomb test on Bikini atoll in the US-administered Marshall Islands.

Today nuclear weapons are stored on Guam, the likely fall-back if the US is forced to abandon its bases in the Philippines. Guam also serves as a base for nuclear-armed B-52 aircraft, submarines and surface warships.

Pearl Harbour in Hawaii is a staging post for Ohio-class submarines equipped with G4 missiles. The US also has a 51st facility Kwajalein in the Marshall Islands to test MX and other anti-ballistic missiles, as well as equipment destined for the Star Wars programme.

The Soviet Union and China have also used the Pacific for missile testing. But the major target of protesters remains the French nuclear testing site at Mururoa Atoll in French Polynesia where last week, France exploded its 74th underground device.

France's insistence on continuing underground nuclear testing on Mururoa, despite repeated protests led by Australia and New Zealand, has infuriated states in the area. Anger at French nuclear testing has also fuelled demands for an end to France's colonial presence on Polynesia and New Caledonia, both links in the French force de frappe.

Environmental protests about the effect of French testing have been somewhat blunted by the finding of an independent panel of scientists which visited Mururoa in 1983 and found little evidence of radioactive contamination. However, the group, from Australia, New Zealand and Papua New Guinea, was given only limited access to the site and its findings have since been vigorously challenged.

On a different level there is concern in the region that existing military installations — Mururoa, Guam and US facilities in Australia — may have been "targeted" by the Soviet Union in a future nuclear conflict.

There is also concern that the dumping of nuclear waste in the Pacific may resume under pressure from the US and Japan, both of which have plans to dump waste in the Marianas Trench, in the US-

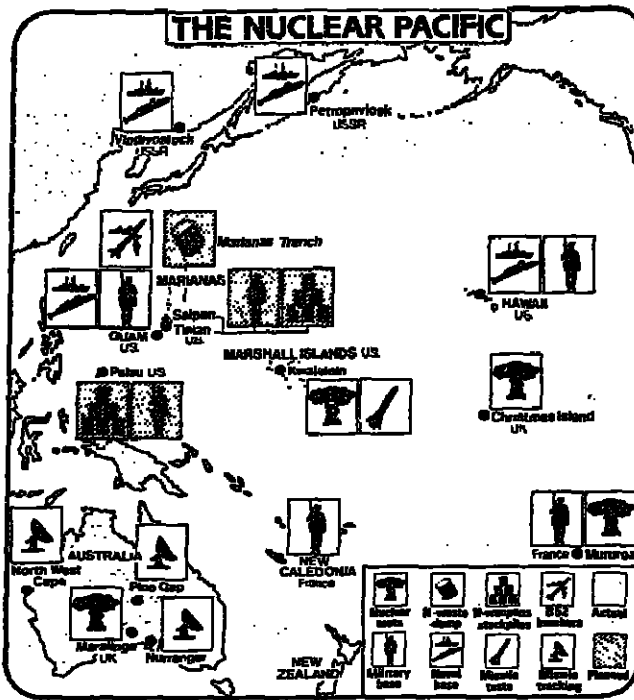
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Pacific opposition to nuclear testing and dumping was given concrete form last August when the 13 heads of government of the South Pacific Forum met in Rarotonga, capital of the Cook Islands, to approve a draft treaty which binds its signatories not to manufacture, test, possess or to store nuclear weapons.

The treaty will have little practical effect on members of the Forum since none of them possess or intend to acquire nuclear weapons. The largely Australian-inspired treaty is also careful not to cut across existing US defence interests in the Pacific.

Its boundaries fall short of both Guam and Hawaii as well as the Marshall Islands despite covering an area of 30m sq miles. In addition the treaty allows countries such as Australia to receive nuclear-armed ships, export uranium and safeguard and maintain nuclear-related facilities on their territory.

This is of crucial importance to Australia which, despite the anti-nuclear out of its coast, plays host to more than two dozen US installations, con-



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Chemical leak sparks panic in New Delhi

GAS leaking from a chemical factory triggered panic and injured more than 250 people yesterday in New Delhi just one day after the first anniversary of the Bhopal disaster which killed 2,500. Reuters reports from New Delhi.

Choking white fumes engulfed an area where about 200,000 people live and work in the bustling bazaar district of the capital's old walled city.

The Press Trust of India (PTI) news agency said a safety expert had urged the Government earlier this year to shut down the plant, which produces sulphuric acid, in the wake of the Bhopal tragedy.

Shoppers raced for safety and motorists abandoned their cars in the narrow traffic-clogged roads as they rushed to escape the fumes, which were not poisonous.

At least 250 people were treated in hospital for breathlessness, violent coughing and other ailments. Fourteen were in serious condition, a hospital spokesman said.

PTI said fumes escaped for 30 minutes after a 40-ton tank containing oleum (used to make sulphuric acid) overflowed and collapsed.

Manila rebels free hostages
MOSLEM secessionist rebels yesterday released an American and a West German held captive for more than a year in a camp on a southern Philippine island, the US Embassy announced. Reuters reports from Manila.

A spokesman said the Moro National Liberation Front (MNLF) handed over American John Robinson and West German Herbert to the Pakistani Ambassador on Jolo Island, 600 miles southwest of Manila. They were flown to a hospital at the US Clark Air Base. The two men, who said they were freelance journalists, were kidnapped while riding on a bus in Jolo.

President Ferdinand Marcos said yesterday that presidential elections expected in the Philippines in February would be clean and outside observers would be welcome.

ADB extends \$167m loan to South Korea
THE Asian Development Bank based in Manila has extended a loan package of \$167m (£112.8m) to South Korea to finance various projects, Samulim, a Seoul news agency said.

The bulk of the package is a \$100m loan to the Korea Long Term Credit Bank which is to be re-lent to private industries.

Formal meetings between the Red Cross societies of South and North Korea ended yesterday in Seoul (without making progress towards the goal of reuniting families separated during the Korean War).

Anthony Robinson analyses the launch in Durban of a super trade union federation

Workers pledge to pursue political ends

FIVE YEARS after the South African Government introduced the most significant reform of apartheid to date by legalising black trade unions, the union movement has created a new super federation whose main aim is to put apartheid behind it and to pursue political change.

Launched last weekend after four years of complex inter-union negotiations, the Congress of South African Trade Unions (Cosatu) is arguably the most significant event in black politics since the formation of the anti-apartheid United Democratic Front (UDF) in August, 1983. Its aim is to provide a new focus for the wider political aspirations of black workers and to act as a lobby for change.

It is a development made possible by the Government's acceptance of the arguments put forward five years ago by employers and labour specialists that legal black trade unions were preferable to dealing with what one labour relations expert characterised as "5,000 angry black workers in a field".

Legislation of black trade unions on lines recommended by the 1979 Wiehahn Commission not only created an institutionalised system for the solution of labour disputes, it also set up the first legal channel for democratic election of black leaders to negotiate directly with the white economic power structure.

Since then, around 800,000 black workers have joined the new union movement, and a total registered union membership of 1,406,000. This represents 15 per cent of the economically active population of around 12m.

Cosatu was launched at a mass rally of 10,000 in Durban last weekend. Mr Elijah Bariya, the 53-year-old vice president of the National Union of Miners (NUM), was elected president and carried shoulder-high to the podium.

Four years of difficult negotiations preceded this new symbol of black trade union unity and the end result is a federation of 34 unions with 450,000 paid-up members. It brings together the relatively tightly organised industrial unions, of which the biggest and most effective is the NUM, and many of the less structured general or blanket

unions, like the South African and Allied Workers' Union (SAAWU), and the General and Allied Workers' Union (GAWU). One of the aims of the new federation is to eliminate the rivalry and overlapping which has accompanied the mushroom growth of unions over the last five years, by reorganising them on a one-union, one-industry basis.

What became clear at the federation's launch was the degree to which 18 months of black protest and police repression and four years of unity talks against the background of rising unemployment have politicised the union movement.

In the course of negotiations, the more traditional pay and conditions emphasis of the industrial unions, formerly gathered together in the Federation of South African Trade Unions (Fosatu), was modified to accommodate the more overtly political approach of unions affiliated to the UDF and the black consciousness "unions". These are grouped in the Council of Unions (Cusa),

and the Azanian Confederation of Trade Unions (AZACU).

The point was made forcibly by Mr Cyril Ramaphosa, general secretary of the NUM and a driving force behind the unity talks, when he told a Press conference: "Cosatu is going to fight political battles, against the pass laws, against the migrant labour system, against the black homeland system, and against all laws which divide us according to race, ethnic origin and sex. We are going to contribute to the liberation struggle."

If there was still any doubts about the political ambitions of the new federation, they were dispelled on Sunday when its new president, Mr Bariya, a former African National Congress (ANC) activist, called for nationalisation of the mines and major industries, declared Cosatu's support for the foreign disinvestment movement and promised to lead a new campaign of mass burning if the Government did not abolish within six months the hated pass laws.

These dictate where a black may live and work and their abolition is a precondition to the arrest of more than 200,000 blacks annually.

South Africa's state-controlled radio yesterday attacked the newly-formed Congress of South African Trade Unions (Cosatu), claiming that it intended to make the country ungovernable.

In the daily news commentary which usually reflects government policy, Cosatu was accused of furthering the aims of the banned African National Congress (ANC). In

what appeared to be a veiled warning, the commentator asked whether "it can be allowed to do so". The trade union was also linked to the United Democratic Front (UDF), the broadly-based multi-racial grouping of social and community groups. Office bearers of the UDF and its affiliates comprise the majority of the 1,400 people detained since the July declaration of a state of emer-

gency in parts of the Republic.

The commentary attacked Cosatu's socialist programme, its support for economic disinvestment and nationalisation of the country's mines. "The functions which gave a trade union the right of existence," said the commentator, "were negotiating better conditions of service, higher wages and a fairer dispensation for its members."

But if Cosatu's formation falls short of its long-term aim of "one country, one federation," the fact remains that its affiliates organise workers in all the key areas of the South African economy — mining, metals and engineering, the motor industry, retailing, food and catering, textiles, transport, and many other sectors.

Collectively, it wields a lot of industrial muscle. The point will not be lost on the Government, which was deeply shocked in November last year when 800,000 workers in Transvaal, South Africa's industrial power house, staged a two-day work stoppage in protest against the military and police raid on Sebokeng and other East Rand townships.

This was the first major use of the strike weapon for political purposes since such a large scale, Federation leaders made clear over the weekend it will not be the last.

Despite the militant political stance of the new federation, however, the two black consciousness federations remain outside the structure because of its commitment to non-racism. The black union movement thus remains split along lines which reflect that between the two major black banned political organisations, the ANC and the Pan African Congress (PAC).

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JOINT ANNOUNCEMENT
by
THE CLYDESDALE (TRANSVAAL) COLLIERIES LIMITED
("Clydesdale")
Registration No. 01/01124/06
and
APEX MINES LIMITED
("Apex")
Registration No. 01/00751/06
(both Companies incorporated in the Republic of South Africa)
PROPOSED MERGER

Finansbank Limited ("Finansbank") is authorised to announce that agreement has been reached between the boards of Apex and Clydesdale in regard to amended terms for the proposed merger of their respective companies.

The salient features of this agreement are as follows:—

1. Clydesdale will change its name to Gold Fields Coal Limited ("Gold Fields Coal") and will issue 330 new shares for every 100 ordinary shares held in Apex. The merger will become effective on 1 January 1986;
2. Apex has declared a final dividend of 300 cents per share in respect of the 6 months to 31 December 1985, making a total of 430 cents per share for the year;
3. Clydesdale has declared a final dividend of 75 cents per share in respect of the 6 months to 31 December 1985, making a total of 125 cents per share for the year;
4. Gold Fields of South Africa Limited holds a provisional Phase IVA export allocation of 2 million tons per annum and the supporting coal reserves. It has agreed, subject to the consent of the Minister of Mineral and Energy Affairs, that these resources will be exploited through the merged Gold Fields Coal. No consideration will attach to the export allocation. The fair market value of the supporting coal reserves will be agreed at the time of transfer. Gold Fields Coal holds a provisional Phase IVA export allocation of 0.5 million tons per annum in its own right.

As a result of the opposition to the original merger terms and the subsequent substantial decline in the foreign exchange value of the rand, Finansbank was appointed by the boards of Apex and Clydesdale to mediate and advise on the terms of the merger

AMERICAN NEWS

Role of small shareholder thrives in US

BY TERRY DODSWORTH IN NEW YORK

THE TRADITION of active individual shareholding in the US is alive and well and continues to grow. But share buying is being increasingly channelled through the medium of stock mutual funds, which have captured virtually all the expansion in ownership over the last two years.

These are among the main findings of a study from the New York Stock Exchange (NYSE) based on a telephone sampling survey covering the whole of the US. The conclusions strongly contest the view of some brokerage firms that small shareholders have been retreating from the US stock markets in the face of the burgeoning institutional investors. "The story that's emerging from the research data tells us that more of the American public is buying shares in a healthy, expanding and successful market place," said Mr John Phelan, chairman of the NYSE yesterday.

Mr Phelan, who was speaking at the annual jamboree held by the US securities industry in the plush Florida resort of Boca Raton, also delivered a decidedly upbeat message to brokers on prospects for the next 12 months.

Among investment oriented households—those which currently hold financial instruments other than passbook savings, life insurance or pension plans—most felt they were as well off (43 per cent) or better off (45 per cent) than a year ago and were positive about the future. About 50 per cent felt that they would be better off a year from now and thought it likely that they would have more discretionary income to invest in the coming year.

Senate approves farm credit system changes

By Nancy Dunne in Washington

THE US Senate yesterday passed emergency legislation to reorganise the troubled farm credit system, the nation's largest agricultural lender, and to allow an infusion of federal aid when the system's own resources are depleted.

The measure allows the system's regulator, the Farm Credit Administration, more authority to discipline the managers of the more than 700 banks and associations which belong in the \$72.2bn (\$49.7bn) net worth. It requires that the banks pool their assets so that the strong might rescue those hardest hit by the declining farm economy.

Many of the provisions in the measure were requested several months ago by the system's officials when its deep troubles were first becoming apparent. Run mostly by farmers who are elected to serve on local boards, many of the banks have been accused of the mismanagement which the legislation is designed to correct.

The legislation is not specific about how much assistance would be forthcoming from the Treasury. Help would be requested by the chairman of the reorganised regulator, and the decision about how much help would be given would rest with the Treasury Secretary. The system's Governor has asked for \$5bn in aid—other officials have requested \$6bn.

Independent analysts have estimated that between \$10bn and \$20bn might be necessary to rescue the system.

Sarney under fire for using legislative decree

BY RICHARD FOSTER IN BRASILIA

PRESIDENT Jose Sarney of Brazil has been obliged to resort to a legislative device he promised never to use. When he took office six months ago Mr Sarney said he would not govern by decree, a mechanism used by previous military regimes, which allows the President to issue laws by fiat.

However, in two recent instances on delicate issues where quick action has been necessary, Mr Sarney has revived the decree: over the closure of three large banks and to change the basis for calculating inflation. Decrees automatically become law after 45 days if they are not modified or challenged by the Brazilian Congress.

President Sarney may have to use the device again this week to push tax reforms through a quarrelsome Congress.

Under Brazil's constitution, changes in taxes have to be passed in the year prior to their implementation. The tax reforms are being debated in Congress at a slow pace, and the Government regards them as an essential part of its plans to curb the public sector deficit in 1986.

Because of its simple use by military presidents, the decree-law is regarded as a symbol of authoritarianism in Brazil. Aware of growing concern at

Alfonsín heads for clash with unions

By Jimmy Burns in Buenos Aires

A RENEWED confrontation between the Argentine Government and the main trade union organisation, the General Confederation of Labour (CGT), appeared to be looming yesterday after a meeting between President Raúl Alfonsín and Mr Saul Ubaldini, the recently elected leader of the CGT, failed to produce any substantial agreement.

Confirming the Government's apparent determination to push ahead with its anti-inflation drive at least into the first quarter of 1986, Mr Alfonsín rejected CGT demands for either immediate across-the-board salary increases or the doubling of the traditional year-end Christmas bonus.

Mr Alfonsín also stalled on labour demands that the Government drop its controversial plans to limit trade union control of the country's social security system. A draft law would divide the running of pension funds and social security payments between government, employers and unions, and not hand total control to the CGT as existed during the government of the late General Juan Peron.

Militant trade unionists like the railway workers, who will today stage a 24-hour national strike, are expected to step up pressure on Mr Ubaldini to organise industrial action in support of wage claims of over 20 per cent.

US factory orders decline by 1.1%

NEW orders for US manufactured goods decreased \$2.2bn (\$1.5bn) or 1.1 per cent in October to a seasonally adjusted \$185.11bn, the Commerce Department said, Reuter reports from Washington.

In September orders fell a revised \$1.5bn or 0.7 per cent. The department previously estimated September factory orders fell 0.6 per cent.

Durable goods orders dropped \$2.2bn or 2.1 per cent in October, the same decline as estimated in a report issued on November 26.

The department said the October decrease was mainly the result of a decline in defence capital goods orders, which dropped \$2.1bn or 26.3 per cent. Excluding defence, new orders were unchanged from September.

The decline in durable goods included a drop in transportation equipment and machinery other than electrical. Durable goods fell \$1bn or 0.9 per cent in September. Non-durable goods fell slightly in October to \$90.67bn from \$90.89bn.

Peru prices fall

THE rate of inflation in Peru grew by 2.7 per cent in November, the lowest monthly rate since May 1980, Doreen Gillespie writes from Lima. Mr Luis Alva, the Prime Minister, described the relatively small rise as the greatest achievement of the new government.

Reginald Dale discusses the national security adviser's departure from the White House

McFarlane falls victim to power struggle

Mr Robert "Bud" McFarlane once said that he owed his job to the belief that he represented "no threat" to the other leading players in the Washington power struggle. When he was appointed President Ronald Reagan's National Security Adviser in October 1983, the soft-spoken, shy-seeming ex-marine was not seen as a potential heavy-weight in the perennial Washington in-fighting usually between feuding barons at the Pentagon and the State Department, that has continued unabated during the Reagan presidency.



McFarlane: coincidence of views with Reagan

And yet it is largely as a result of in-fighting, rather than fundamental policy differences, that he is now leaving the White House. In recent weeks, it has become an open secret in Washington that Mr McFarlane can no longer tolerate the abrasive management style, and the interference in his territory, of his fellow former marine, Mr Donald Regan, the White House Chief of Staff.

Influence

Mr McFarlane, 48, has never attained the dominant public stature of some of his predecessors in the national security post, such as Mr Henry Kissinger or Mr Zbigniew Brzezinski. He is still not regarded as a towering, intellectual geopolitical thinker.

But from modest beginnings two years ago, he has seen his influence inside the White House rise steadily to a point at which he has recently

enjoyed virtually unrivalled personal access to Mr Reagan, the key to success in Washington power politics. From a role that at first seemed little more than that of a loyal liaison officer, he became one of the leading exponents of the Administration's strategic philosophy—often in the well-worn guise of a quasi-anonymous "senior administration official."

His rise was helped by a coincidence of many of his views with those of Mr Reagan. He is a strong supporter of the Star Wars strategic defence programme and the move from an offensive to a defensive nuclear strategy that is meant to accompany its introduction.

He is a devout believer in the "Reagan doctrine" of continuing to confront the Soviet

Union in local conflicts around the world, by supporting anti-Communist "freedom fighters," while trying to ensure that overall superpower competition remains peaceful.

Inside the White House, he found a vacuum waiting to be filled between the "hawks" of Mr Caspar Weinberger's Pentagon and the "doves" of Mr George Shultz's State Department. He has moved, however, predominantly in alliance with Mr Shultz (another ex-marine), with whom he is said to have agreed about 80 per cent of the time. His alliance with Mr Shultz has in recent months coincided with a period in which Mr Weinberger, also a victim of Mr Reagan's "chief executive officer" management techniques, has found his influence on the wane.

The numerous friends and officials who have been explaining Mr McFarlane's grievances in recent days say that he has particularly resented Mr Reagan's growing encroachment on his foreign policy and national security turf.

Mr Reagan, who sees himself as a cross between the Administration's managing director and a European Prime Minister, appears to have felt challenged by Mr McFarlane's direct access to the President, of which he would prefer to have a monopoly. He is reported to have made it clear to Mr McFarlane that he must discontinue his practice of taking short-cuts to Mr Reagan, by-passing the chief of staff. At the height of his power, Mr McFarlane is said to have signed decision memoranda "Robert C. McFarlane, for the President," without even showing them to Mr Reagan.

Since arriving at the White House from the Treasury in early February, Mr Regan has made no secret of his intention to establish himself as the undisputed number two to the President. During Mr Reagan's cancer operation in July he asserted himself over Vice President George Bush, gathering the reins of government firmly into his own hands.

He has cut rival power centres down to size by ensuring that relatively light-weight

figures are appointed to head bodies like the Council of Economic Advisers and the Office of Management and Budget. Inside the White House, he is a stickler for discipline and the need to "run a tight ship."

Mr Regan has had his ups and downs. During the summer holidays he appears to have concluded that he had been a little too pushy during the presidential cancer operation and that he risked being too confrontational with Congress, and particularly Mr Reagan's Republican allies on Capitol Hill. Since then, the White House has been rather more conciliatory on issues like South African sanctions, protectionism, tax reform and the budget deficit.

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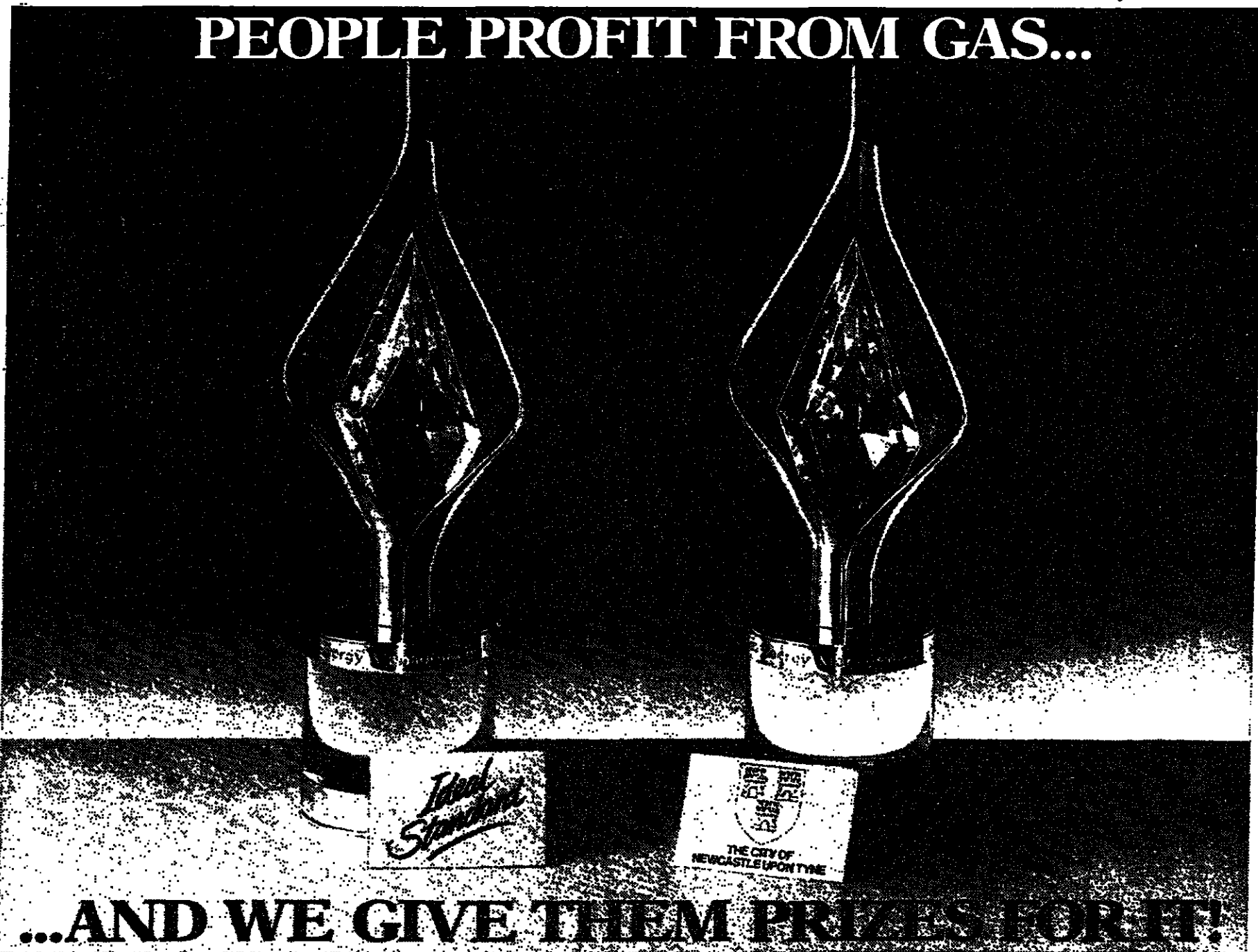
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Apology

Last month, Mr Regan provoked an outcry by allowing himself to be quoted as saying that most American women would not understand summit issues like missile throw-weight and Afghanistan, and would be more interested in the doings of Mrs Reagan and Mrs Gorbachev in Geneva. For that he has grudgingly apologised.

But for the moment there is no sign of a weakening of Mr Regan's close relationship with his fellow-Irishman Mr Reagan. And, if another Washington rumour is to be believed, Mr Reagan himself may have begun to find Mr McFarlane's sometimes monotonous presentations of foreign policy a little tedious.

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to be the most economic fuel. In fact, today, more than 95% of the Council's buildings use natural gas—and the people of Newcastle are profiting substantially from Gas Energy Management. The savings this year alone amount to 1,412,000 therms.

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UK NEWS

Disruption threat at Ford as pay talks collapse

BY HELEN HAGUE, LABOUR STAFF

MORE THAN 37,000 Ford workers are to be recommended to take industrial action - including strikes - after the breakdown of pay and productivity talks in London yesterday.

Hourly paid workers across Ford UK's 21 plants will vote on their negotiators' unanimous recommendation in secret ballots in the New Year. The Transport and General Workers' Union (TGWU) - the majority union in Ford - will be using secret ballots after mass meetings to assess membership opinion. It is believed to be the first time the TGWU will be conducting plant-wide ballots at Ford.

Union negotiators yesterday formally rejected the company's pay and productivity package which could bring rises of between 13.1 and 15.7 per cent over two years - partly in exchange for radical changes in working practices.

The company's final offer is made up of a 3 per cent rise in basic rates in the first year, plus a further 4 per cent in the form of productivity and efficiency allowances, given in exchange of changes in practices on

the shop floor. In addition, the 10,000 production workers at Ford have been offered an extra 2 per cent on basic rates in the form of a special allowance. The second phase offers a 6 per cent rise for all hourly-paid workers.

Unions seek clarification of the productivity and efficiency elements of the deal which are based on greater flexibility, the elimination of certain demarcation lines and re-training.

Ford wants to slim down the number of job titles from more than 500 to just 58 and to rewrite hourly paid workers' grading structure.

Mr Mick Murphy, chairman of the trade union negotiating side, said yesterday: "The productivity changes are so far reaching and would have such a major impact in terms of job loss, that the 4 per cent they are offering for them is totally unacceptable."

Mr Paul Roots, Ford labour relations director, said Ford was not trying to copy Japanese work practices but "trying to get rid of old-fashioned ideas."

Jobs go as reshaping starts at Lucas

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

LUCAS ELECTRICAL, the motor components supplier, is to axe nearly 500 jobs as part of the first phase of a rationalisation programme.

Union leaders have been told that 240 jobs must go in the lighting company at Birmingham, and 255 at the instrumentation factory at Ystradgynlais, South Wales.

Trade unions fear several thousand more jobs within the division are under threat. "We are just being fattened up for Christmas. They will hit us with the bad news in the new year," Mr Mike Nangle, chairman of the senior shop stewards committee, said last night.

The workforce in electrical components - everything from light bulbs to batteries and starter motors - has been almost halved to 12,000 over the past five years. Mr Godfrey Messervy, Lucas Industries chairman, made clear when he announced the annual results last month that restructuring of the electrical division would continue. All options were open. "We could be injecting money into companies,

selling companies or closing them down," he said.

Lucas does not give a detailed breakdown of its figures, but brokers estimate that the electrical division suffered pre-tax losses of around £35m on a turnover of £280m. About £28m of the £37.8m provision to cover extraordinary losses are intended for the electrical operation.

Lucas Electrical has suffered from its heavy dependence upon BL, particularly the Austin Rover volume cars company. Lucas, with a large product spread, finds itself squeezed by declining UK volume and foreign competition from mass producers such as Bosch of West Germany, and Nippon-Denso of Japan.

Lucas said last night that the assessment of its electrical operations was separate from its relations with Austin Rover. Whether or not contracts were under review with Austin Rover, a fundamental examination of operations was necessary.

BL output recovers, Page 9.

Lloyds raises £125m with sale of Royal Bank stake

BY CLIVE WOLMAN

LLOYDS BANK has raised £125m by selling its 18.4 per cent stake in the Royal Bank of Scotland through a stock market placing.

The sale of the stake, along with a 4.9 per cent stake in Royal Bank which it sold seven weeks ago will yield Lloyds a profit of £30m after the payment of capital gains tax. The stake has been held since 1918 through the National Bank of Scotland and the National Commercial Bank which merged with the Royal Bank in 1988.

Mr Brian Pittman, Lloyds chief executive, said that the stake in the Royal Bank no longer fitted in with Lloyds long-term strategy which has been developed over the last two years. This required Lloyds to

concentrate more on its mainstream activities and to dispose of its peripheral investments. The bank says it has no immediate plans for re-investing the £125m proceeds of the sale.

Lloyds' 16.4 per cent stake was placed through stockbrokers Hoare Govett at a price of 270p compared with a market price of 260p immediately before the disposal. The Royal Bank's share price fell 14p to close at 272p. Lloyds share price fell 5p to 473p, at the close.

The 4.9 per cent stake was bought by Lloyds in December 1983 from the Kuwaiti Investment Office and sold back to the Kuwaitis in the deal seven weeks ago. The en-

hanced stake was used to persuade the Royal Bank to sell its minority stake in the Lloyds and Scottish finance house to Lloyds. Lloyds gave a commitment to the Office of Fair Trading in 1984 to reduce its stake again on competition grounds.

The cash proceeds from yesterday's sale boost Lloyds free capital ratio - the traditional measure of balance sheet strength used by the Bank of England - from 7.25 to 7.6 per cent. This is higher than the ratios of the other leading retail banks, according to figures produced by stockbrokers de Zoete & Bevan. Lloyds has a relatively high proportion of its loans tied up in Latin American and other less developed countries.

Insurance brokers face tougher rules

BY CLIVE WOLMAN

THE FINANCIAL Services bill, due to be published two weeks from today, will be taking a tougher line in requiring insurance brokers to disclose their commissions than indicated in the White Paper policy document in January.

The bill will also reject the requests of many financial institutions to be granted an exemption from the general requirements of the law of agency if they establish so-called "Chinese Walls" - barriers to block the flow of information between their departments.

In particular, the bill will prohibit a bank, which gives advice on shares to an investor in one of its branches, from executing his order through its own stock market dealing subsidiary, unless no other dealer is offering a better price.

In the marketing of life assurance and other investments, the White Paper indicated that insurance brokers, who claim to be offering independent advice, would not have to disclose their commissions if they were paid no more than an industry-agreed scale.

This concession to brokers is now likely to be made less attractive.

However, since January, Department of Trade and Industry (DTI) officials have been worried that without extra safeguards an investor would often fail to appreciate the level of commission a broker is being paid for selling a particular policy.

Many officials would prefer to follow the common law principle that all commissions must be disclosed automatically.

Westland aid talks to begin

By Bridget Bloom, Defence Correspondent

SENIOR EXECUTIVES of three European helicopter companies will meet officials from Westland this morning in an effort to agree a formal bid to rescue the ailing British helicopter manufacturer.

The bid is being put together by Augusta of Italy, Messerschmitt-Bölkow-Blohm of Germany and Aérospatiale of France. The three companies have already submitted a formal proposal to Westland and today's meeting is being seen as an attempt to clarify outstanding points on both sides.

Although the impetus towards a European solution to Westland's problems has been given by Mr Michael Heseltine, the UK Defence Secretary, with the backing of his European ministerial colleagues, he will not be present at today's meeting.

Westland is far advanced in rival negotiations with Sikorsky.

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Philips doubles VCR sales

PHILIPS, the Dutch electricals group, has doubled its share of the European video recorder (VCR) market since it adopted the Japanese developed VHS format, Jason Crisp writes.

The improvement has been particularly dramatic in the UK, still the largest European market for VCRs, where Philips had negligible sales when it only sold its own V2000 format. Philips claims that it now has 12 per cent of the market and is second only to Thorn EMI.

Philips made the decision to start selling VHS videos in Europe last year when it was clear it had become the dominant format.

MR CHARLES HAUGHEY, leader of the Irish opposition, told the Dail (parliament) that Mr Tom King, the UK's Northern Ireland Secretary, had authentically reflected British attitudes when he said the Anglo-Irish agreement implied that Ireland would never be united.

"The reality is that Mr King's remarks are exactly the way the British are presenting the agreement internationally," Mr Haughey said. His Fianna Fail Party opposed the agreement, which it said entrenched partition and contravened the Irish constitution.

King regrets: Page 9

MR KENNETH BAKER, the Environment Secretary, has offered to meet Dr Robert Runcie, the Archbishop of Canterbury, to discuss the Church of England's controversial report this week on the decline of inner cities.

Mr Baker's offer came as he faced renewed attempts by opposition MPs to exploit criticisms of government policy contained in the report, called Faith in the Cities.

MR JOHN GUNN, former chief executive of Exco International money broking and financial services group, will become non-executive director of the Dublin-based Silvermines venture capital and holding company.

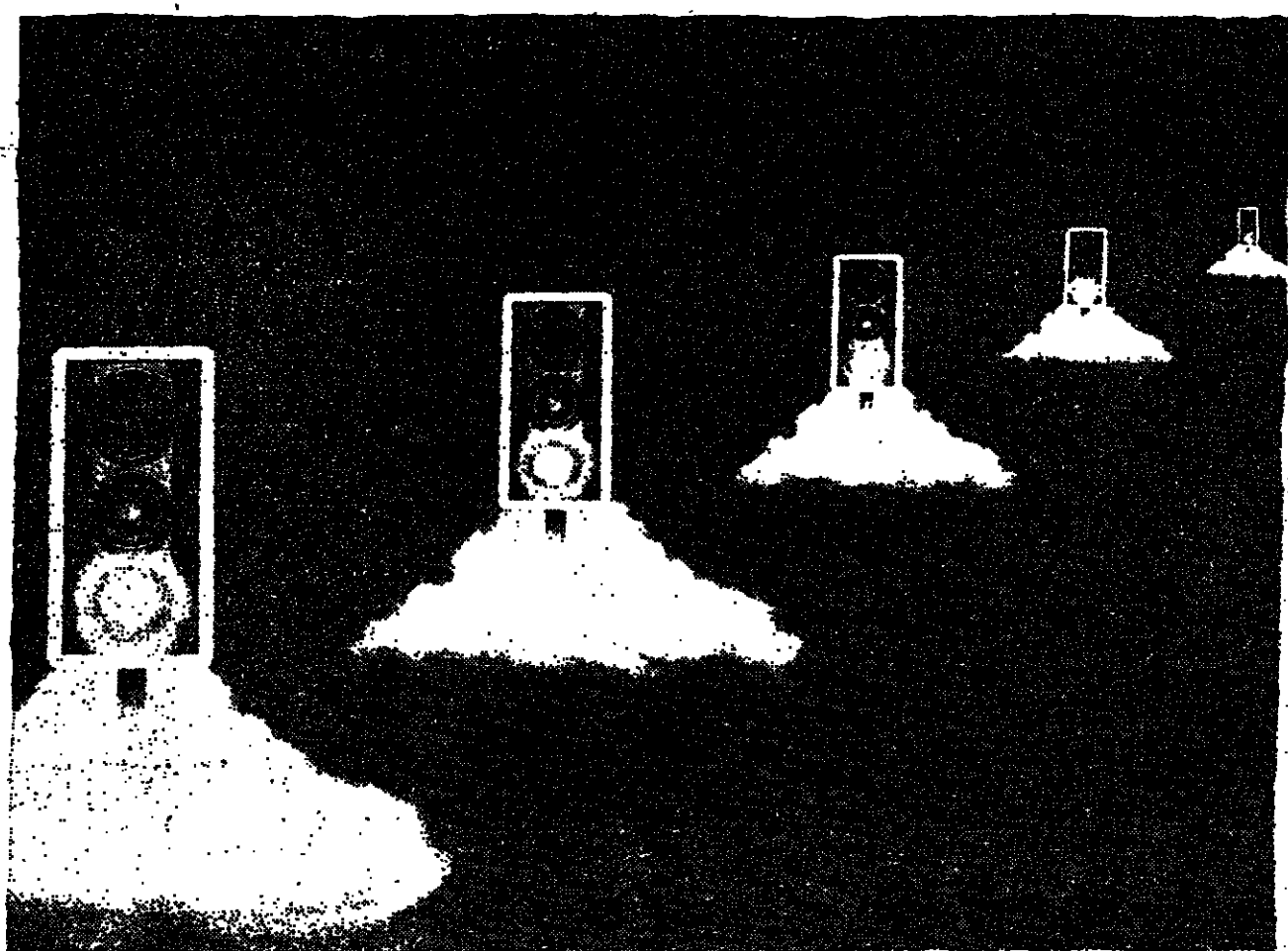
BRITISH Rail Property Board has announced plans to bring shops into railway station concourses as part of a plan to promote retail investment in stations and raise revenue.

T. I. RALEIGH, the cycle manufacturer, is to lay off its entire 2,000 workforce for eight days after Christmas due to weak markets and sales.

MR ALEX DIBBS, former chief executive and deputy chairman of National Westminster Bank, has died at the age of 66 after a stroke.

MR WILLIAM ELGOOD, 62, has retired as company secretary at Distillers, the Scotch whisky combine facing a hostile £1.9bn takeover bid from Argyll.

BRITISH AIRWAYS will follow British Caledonian and raise its fares on many UK routes on January 8 after steep fuel bill rises.



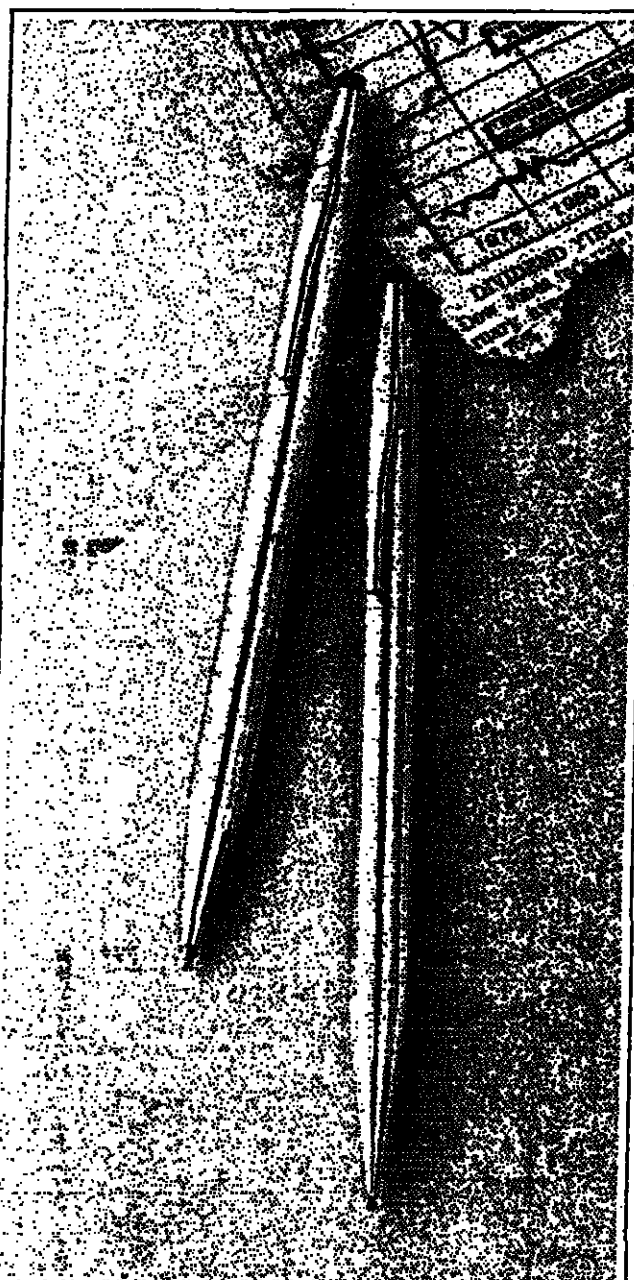
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WORLD-TRADE-NEWS

GLOBAL COMMENT DAILY IN THE FT

UK NEWS

ENERGY INDUSTRY PESSIMISTIC ON INCREASED COMPETITION

MPs hear gas privatisation doubts

BY DOMINIC LAWSON

LEADING FIGURES in the UK oil and gas industry yesterday told MPs that the Government's privatisation of the British Gas Corporation would not increase competition in the UK gas market.

Introducing the gas privatisation bill last week, Mr Peter Walker, the Energy Secretary, said the Government was "anxious that as a result of this legislation the potential for effective competition should be improved."

But Mr Peter Everett, managing director of Shell Exploration and Production, told members of a House of Commons committee on energy: "We do not believe that the bill will make a significant difference to the UK gas market."

"It does not alter the position that British Gas will remain the monopoly purchaser of UK North Sea gas supplies and a monopoly supplier to the UK gas market."

The bill proposes to make it easier for independent suppliers to use the British Gas network to supply industrial customers with gas.

But the oil companies believe that British Gas's access to a large base load of cheap first generation North Sea supplies will always enable it to undercut other companies.

"We find it difficult to believe that we can compete with British Gas in supplying industrial and domestic customers. We find it difficult to see a competitive UK market being developed."

Similar doubts were expressed by Mr David Walker, chief executive of Britoil, the UK's largest independent oil company.

The bill would have neither a negative nor a positive impact on freeing up the UK gas market. Britoil was "concerned that there is nothing in the bill on the rights of

gas producers to satisfy themselves that they are getting a fair price for their gas."

Mr Tony Craven Walker, managing director of Charterhouse Petroleum, which has a stake in the UK's largest onshore gas field, said the Government's proposals to increase supplier competition with British Gas were "a non-starter."

The bill was described yesterday as "not encouraging," by Mr Michael Montague, chairman of the National Consumer Council (NCC). He asked Mr Walker to explain to the public why the proposed new director of gas supply was not being given a statutory duty in the Bill to "maintain and promote competition."

The Government is to set up a body to monitor the monopoly aspects of British Gas in the private sector. This follows the example of

Ofel, which has a similar role with British Telecom.

The NCC said yesterday that Ofel, which has no regional offices, is costing £3.1m this year, but that Mr Walker is allocating only £2m a year for Ofgas, the new gas consumers council, and regional offices.

"Somebody is either deluding themselves or has not done their sums," Mr Montague said.

Gas prices are unlikely to rise until well into the new year, and are unlikely to go up by much more than the rate of inflation, Sir Denis Rooke, chairman of British Gas said yesterday.

"For the past 10 years we have run a planned and sustained campaign to sell the lower costs and better productivity which result from a partnership of an intrinsically efficient fuel and new technology."

Telecom groups 'should lead liberalisation'

TELEPHONE COMPANIES, not government regulators, should take the lead in shaping the new, liberalised world telecommunications market, Mr Ian Vallance, British Telecom's chief of operations, said yesterday, writes Nick Banker.

Rapid technological change and new consumer needs were destabilising an old order based on monopolies, he told more than 200 delegates at the Financial Times World Telecommunications Conference in London.

Ironically, the erosion of monopolies had been accompanied by a profusion of new and complex regulations, he said.

Examples were the complex terms for the break-up of American Telephone and Telegraph (AT&T) imposed by a US federal judge and the intricacies of British Telecom's (BT) new operating licence.

Mr Jacques Dondoux, director general of the French Government's Telecommunications Department, said international co-operation between governments was necessary to prevent global deregulation turning into an "anarchic process."

Moves towards liberalisation of telecommunications market in the US, Britain and Japan had been like "an electric shock treatment" to state-owned telecommunications authorities (PTTs), elsewhere, he said. But unilateral policies might

be damaging.

"We consider that the UK should be our full partners in a European corporation. But we often wonder whether the UK is not tempted to go it alone in order to derive a unilateral profit from its role as privileged intermediary between Europe and the North Atlantic."

trade in Europe."

European PTTs were defended by Mr Helmut Scholz, head of the telecommunications department of the Deutsche Bundespost.

The economies of scale and scope provided by national monopolies still allowed them to play a leading role in introducing telecommunica-

tions and satellites, and entering joint ventures with companies such as IBM.

Mr Randall Tobias, chairman and chief executive officer of AT&T Communications, said there were "risks inherent in deregulation" such as customer confusion, which had occurred in the US following the break-up of AT&T. But these risks were "manageable and more than offset by the benefits."

Mr Paul Henson, chairman of United Telecommunications, of the US, said BT was already proving a "beacon of enlightened regulation" through its attempts to limit costs to consumers.

The requirement on BT to limit price increases to the retail price index less a 3 per cent productivity factor was a "simple but powerful solution" to dilemmas facing American regulators trying to safeguard the consumer in an increasingly liberalised telecommunications market.

Mr Rolf-Dieter Leister, conference chairman and an international consultant on information and communications technology, said in the future, telecommunications users would expect from digital telephone networks more than just a substitute for existing services.

They would also expect innovations to speed up the process linking computerised data processing with telecommunications.

FINANCIAL TIMES CONFERENCE
World Telecommunications

The allegedly slow pace of regulatory reform in Europe was sharply criticised as a barrier to trade and technical innovation by Dr Henry Ergas, principal administrator, in the advisory unit on multidisciplinary issues of the Organisation for Economic Co-operation and Development (OECD).

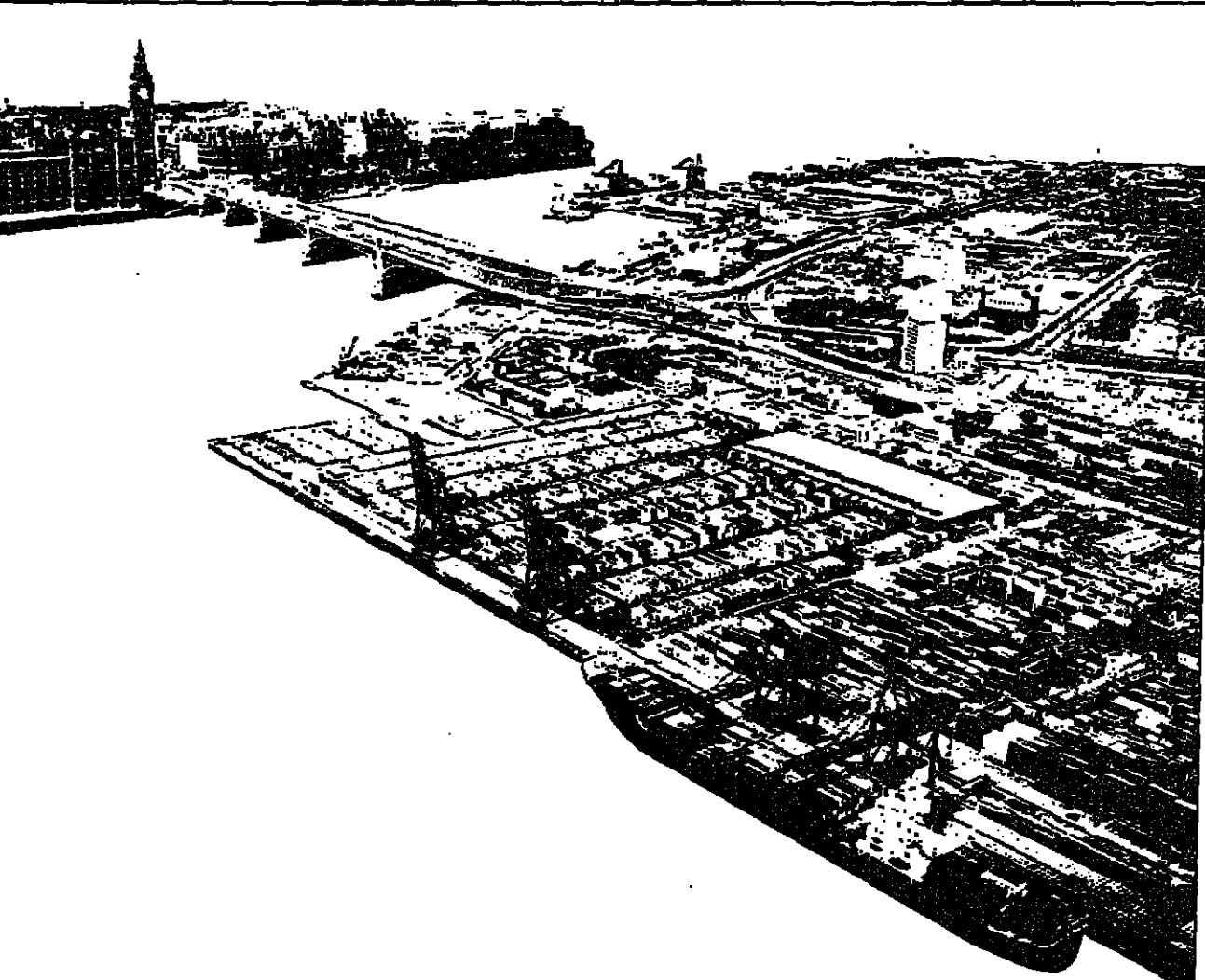
With the possible exception of the UK, there was a "reality of immobility" behind "a rhetoric of change," Dr Ergas said that a small telecommunications company starting up in Europe and trying to operate in perhaps five national markets might face 100 times the regulatory burden of a similar company starting up in the US.

The persistence of excessive regulation not only imposes costs on consumers and producers. It also creates insurmountable barriers to

services such as the Integrated Services Digital Network (ISDN).

The West German PTT was watching deregulation progress in the US. However, in West Germany "in no case should we bring about conditions in which private telephone customers, rural areas and medium-sized companies would have to bear increasing costs whereas large companies would be relieved."

Dr Hisashi Shinto, president and chief executive officer of Nippon Telegraph and Telephone Corporation (NTT), said it was facing up to new competition in its domestic market by reviewing service charges, rationalising its tariff structure and developing an information network system. It was also using technologies such as fibre op-



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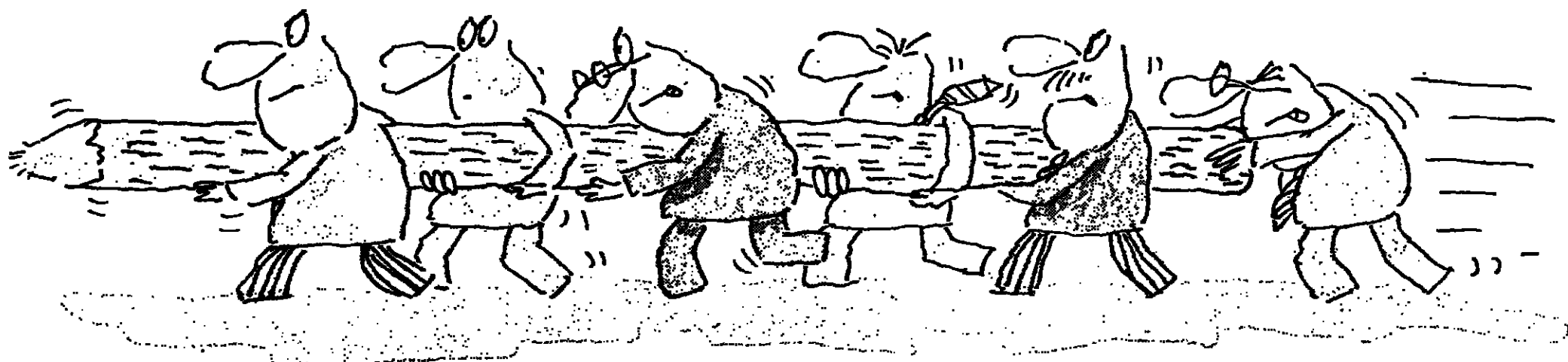
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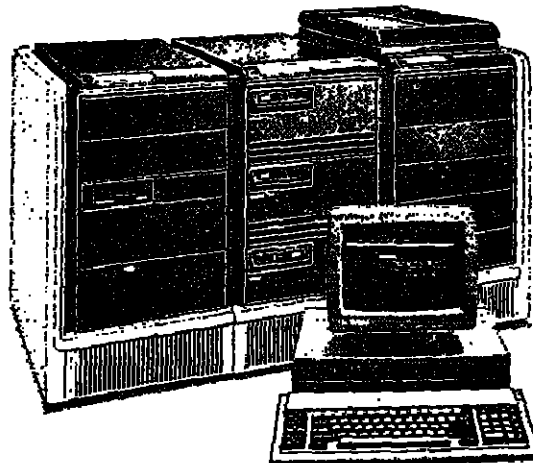
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UK NEWS

Strong recovery in vehicle output at BL

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

VEHICLE OUTPUT by BL, the state-owned group, in the first nine months of this year recovered strongly from the depressed levels of 1984. All group subsidiaries contributed towards the upturn.

General Motors, the Vauxhall-Bedford group, also experienced an improvement in production in the nine months. Of the UK "big three," only Ford's vehicle output failed to make substantial gains.

BL's total vehicle output, according to Society of Motor Manufacturers and Traders statistics, improved in the nine months by 97,619, or 23.8 per cent compared with the same months of 1984.

Austin Rover made a big contribution to the overall BL performance. Its car output was up by 78,503 or nearly 28 per cent while production of car-derived vans jumped by 7,872 or 65.7 per cent after the introduction of the Maestro van this year.

Leyland Vehicles, BL's truck and bus subsidiary, showed a 42 per cent, or 3,466 vehicles, improvement over the period. Output of the new volume truck, the Roadrunner, helped to make up for a serious downturn in bus production.

New products have also helped GM. In spite of the difficulties the group has experienced in its attempts to get the new Astra up to full-capacity output at Ellesmere Port on Merseyside, the car still made a big impression on the statistics this year. GM's car output was

up by 33.3 per cent or 28,811 after nine months.

The group's commercial-vehicle offshoot has had the benefit of a new light van, the Midi, which contributed to the 25 per cent increase in GM's production, giving an extra 9,234 vehicles with the same period of 1984.

In contrast, Ford's car production improved only marginally, by 1,233 or 0.5 per cent, while the group's commercial vehicle production advanced by 5 per cent or 4,152.

That was far below the general improvement in UK vehicle production. The society's figures show that in the nine months, car output was up by over 13 per cent or 93,921, while commercial vehicle production increased by 18 per cent or 31,264.

The decline in Peugeot Talbot's UK car output is partly connected with the phasing in of the new Peugeot mid-sized car, the 308, at the Ryton, Coventry, plant and the slowing down of production that has involved. The company's contract to supply car kits to Iran has also run into difficulties again this year.

Biggest percentage increase among the producers in the nine months was chalked up by the little Reliant company which is now making a small sports car and has dropped the large Scimitar model.

UK COMMERCIAL VEHICLE PRODUCTION (Nine months)		
	1985	1984
Austin Rover	18,850	11,978
Land Rover	22,761	18,590
Freight Rover	14,527	12,744
Landmark Vehicles	11,889	8,203
Total BL	68,027	51,495
Ford	82,025	77,873
PSA Bedford	45,825	36,591
DAF	1,845	1,508
Renault	588	545
Jeep/Dodge	606	686
Motorcar-Daimler		
Feynman	332	373
Mercedes Truck		
Industries	3,917	3,250
Jeddoon Atkinson	1,303	1,274
Others	184	324
Total	204,983	173,719

Source: Society of Motor Manufacturers and

Source: Society of Motor Manufacturers and Traders.

Partners named for Docklands venture

By Joan Gray

JOHN LAING Construction has set up a joint venture to develop a £300m stadium and exhibition centre in London's Royal Victoria Dock, called the Londondome.

The partners in the venture - called Laing Fox Vom - are Swab Fox Services of Tulsa, Oklahoma, and its corporate partner, International Sports Marketing, as well as Vom (UK), part of a Dutch company that is developing a 230-acre complex with the city of Amsterdam.

The Londondome complex will be built on a 110-acre site on the north quay of the Royal Victoria Dock, two miles east of the proposed £1.5bn Canary Wharf office development in East London.

The complex will include a covered stadium, a hotel, recreation centre, fitness and health club, arts centre, conference hall, high-technology factory units, workshops, shops and housing. It could create up to 5,000 jobs.

Finance for the project will involve a mixture of loan and equity finance and some funding from the companies themselves.

The estimated £300m cost of the scheme includes both construction and acquisition of the land from the London Dockland Development Corporation.

Saudi market losing allure for British companies

FINANCIAL TIMES REPORTER

New civil engineering contracts by UK companies in the Gulf

	£m
1980/81	359
1981/82	607
1982/83	765
1983/84	708
1984/85	535

LAST WEEK'S decision by the British construction companies Laing and Wimpey to pull out of Saudi Arabia highlights a big problem for the world's construction industry. The kingdom, once one of the industry's most attractive markets, has lost its lustre.

This is partly the result of falling Saudi oil revenues, but also reflects the fact that most of the large government construction projects have now been completed. The impact is not confined to UK companies.

For Korea, Saudi Arabia has been the largest single export customer. The drop in the Saudi construction market has forced at least a dozen South Korean companies out of the kingdom, and has led to some corporate collapses.

The situation of Korean groups underlines the difficulties for British companies, many of which had previously pointed to cut-price Korean competition as one of the problems in the Saudi market.

Laing and Wimpey's decision effectively to close their Saudi joint venture Laing Wimpey Alireza (shared with a local Saudi partner) was blamed largely on non-payment for work completed. Other contracting and engineering companies point out that slow payment in the Middle East is scarcely a new problem.

There may be other aspects to the Laing-Wimpey case. Observers suggest that Laing Wimpey Alireza

has not been particularly successful in the kingdom since the days of King Faisal, who had a high regard for the partnership to be awarded several profitable military contracts.

In the decade since his assassination, the partnership's performance has been disappointing. However, Laing Wimpey Alireza concedes that any payment problems it has at present are with small private clients rather than with the Government.

Other companies take a more philosophical view of the Saudi situation. One US engineering company says "the boom days are clearly over, but we've kept quietly hanging on in there with small technical teams, working through budget peculiarities and making a very reasonable return. It's a question of finding creative ways of keeping the relationship going."

The engineering company Davy McKee, which has been working for four years on oil platforms for the

Saudi state oil company Aramco, says "Aramco is impeccable. You get prompt payment of that which is precisely and only due." But it has proved almost impossible to renegotiate contract terms, Davy says, and the group is not actively seeking work in the kingdom.

The Trafalgar House subsidiary Cementation came out of the Saudi market 2½ years ago. Trafalgar House says "We withdrew as a planned recognition of the reduced opportunities, partly as a result of reduced oil revenues and the country's heavy financial commitments in helping fund the Iraq war. But also, you can't go on creating an infrastructure for 5m people for ever. Laing and Wimpey's decision to pull out came as no surprise to us."

Large spending by the Saudi Government has mainly switched from construction to defence. In September, British Aerospace was awarded a contract worth between £3bn and £4bn to supply Tornado bombers and fighters together with training aircraft.

The contract was arranged at government level, with a memorandum of understanding being signed by the UK and Saudi defence ministers. "There is no parallel between a government-to-government contract of this kind and the Laing-Wimpey experience," British Aerospace said.

King voices regret for remarks on future of Ulster

BY IVOR OWEN

MR TOM KING, the Northern Ireland Secretary, expressed regret in the House of Commons yesterday for giving the impression that Dr Garret FitzGerald, Prime Minister of the Irish Republic, shared his view that Northern Ireland would always remain part of the United Kingdom.

Ulster Unionist MPs roared with laughter as the increasingly embarrassed minister was alternately praised and condemned. Tory critics of the new Anglo-Irish agreement praised him for making it clear that it does nothing to further the aspirations of those who want to see the reunification of Ireland; Labour MPs attacked him for creating fresh difficulties for Dr FitzGerald.

Mr King, who plunged into the deepest trouble he has so far experienced in his political career in a lunchtime speech in Brussels on Tuesday, held firmly to his view that as both parties to the agreement accept that any change in the status of Northern Ireland can only come about by the consent of the majority of the population "such a change would not occur."

He admitted that in expressing this view he had indicated that he considered it to be shared by Dr FitzGerald.

Mr King stressed: "I, of course, accept that this is not the case, and I regret that my words should have given that impression."

Mr Peter Archer, Labour's chief spokesman on Northern Ireland, called for clarification of the two governments' position on the provision in the agreement which committed them to supporting any decision by the majority in the province.

He asked if this provision had been intended to be "totally artificial and unrealistic" and stressed that Labour had supported the agreement in the belief that it left open the possibility of reunification. Mr Julian Amery, Conservative, who voted against the agreement last week, congratulated Mr King and urged him to "stick firmly" to the views he had expressed.

Mr Roy Mason, a former Labour Northern Ireland Secretary, who supported the agreement in last week's debate, angrily protested that Mr King's speech in Brussels had shattered it "before the ink was dry". He said: "You have let us down."

Mr King reaffirmed that the government stood by the accord and would seek to implement it in co-operation with Dublin.

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(Egoli)

Shareholders of Egoli are advised that in terms of an agreement with Uat Trust Limited ("Uat") the directors of Egoli have agreed to exchange 40% of the Granite Division acquired from Fraser Alexander Limited with Uat for R3 500 000 cash and 100 000 shares in Simmer and Jack Mines Limited. Egoli will retain a 60% interest in the Granite Division consisting of the Marlin Granite group of companies.

The Granite Division will make a contribution to Egoli's profits and will increase Egoli's US dollar denominated earnings.

The management and staff of the Granite Division remain unchanged. The board of directors of the Granite Division's controlling company will be reconstituted to include:

P B Galt	Chairman
J M R Berardo	Deputy chairman
G R Treagus	Senior executive director
M Padell	Production director
I H MacMillan	Financial director
D M Grant-Hodge	
W R Lawrie	
A G Netto	
J N Sharland	

The above agreement will be implemented after the approval by shareholders of Egoli and Fraser Alexander Limited of certain transactions which include the acquisition by Egoli of the Granite Division.

It is proposed that an application will be made to list the controlling company of the Granite Division on The Johannesburg Stock Exchange at an appropriate time.

By order of the board
Investments and Technical Management Limited
Secretary
per: M van der Watt
2 December 1985

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ABN Bank 11 1/2 %	J. Hoare & Co. 11 1/2 %
Amro Bank 11 1/2 %	Hongkong & Shanghai 11 1/2 %
Associates Cap. Corp. 12 %	Johnson Matthey Bkrs. 11 1/2 %
Banco de Bilbao 11 1/2 %	Knowles & Co. Ltd. 12 %
Bank Hapoalim 11 1/2 %	Lloyds Bank 11 1/2 %
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Brown Shipley 11 1/2 %	People's Trust 12 1/2 %
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Fears over food and drink takeovers

By David Thomas

PROFESSOR Raymond Thomas, chairman of the Food and Drink Manufacturing Economic Development Committee (EDC), is to write to the Office of Fair Trading (OFT) expressing concern about the state of takeover proposals and rumours in the food and drinks industry.

The EDC is responsible for monitoring and reporting the food and drink industry within the National Economic Development Council - a forum made up of union, employer and Government representatives.

Mr Robert Smith, a member of the EDC and national officer of the General, Municipal and Boilermakers Union, has already written to the OFT urging it to refer to the Monopolies and Mergers Commission the bid by Elders DXL, the Australian brewing, agricultural and trading group, for Allied-Lyons, the UK food and drinks conglomerate.

The union's main concern is about the job losses which might follow any merger. Mr Smith also raised worries about other mergers under way or outstanding in the sector, such as the agreed bid by Imperial Group for United Biscuits, and the bid by Argyl for Distillers.

Mr Smith met Professor Thomas yesterday and it is understood that Prof Thomas's letter will raise some of these concerns. The decision by the OFT on whether to refer the Elders DXL bid to the commission is expected shortly.

Midlands 'superpit' sites named by coal board

By Maurice Samuelson

THE NATIONAL Coal Board (NCB) yesterday named its two preferred sites for its new £440m 'superpit'.

Out of a list of eight possible sites, its consultants have narrowed the search down to Hawkhurst Moor Farm, adjacent to the western outskirts of Coventry, and South Hurst Farm, in agricultural land between Coventry and Kenilworth, both in the Midlands of England.

The pit, the latest in a series of capital intensive high-volume mining projects by the NCB, is designed to exploit 165m tonnes out of the 400m tonnes of recoverable reserves in the rich South Warwickshire coalfield.

The coal, suitable for industry as

well as power stations, will be extracted over 50 years at a rate of 3m tonnes a year, making it Britain's biggest single mine in terms of production.

When it announced its plans seven months ago, the board stressed its anxiety to avoid the damaging confrontation which it suffered with environmentalists over its earlier plans to exploit the coal lying under the Vale of Belvoir, in Leicestershire.

For that reason it initially invited local authorities and other interests to join it in seeking suitable sites for the mine, over an area of 14 sq km, with a view to announcing the preferred location before the end of the year.

The local authorities provided specialist assistance to the NCB but

they were not a party to the selection of the two remaining potential sites.

In the event, two sites have emerged from these discussions, rather than the single one originally expected. The NCB said that more detailed analysis was needed because of the potential impact and the importance of the planned development.

This was now being carried out by a specialist consultancy with a view to a single choice being made and a request for planning permission being made next year.

Once permission is received, some 700 people would be employed during the construction of the mine, building up to 1,800 when it entered full production in 11 years' time.

High-tech study may shift emphasis

By Peter Marsh

THE GOVERNMENT is to appoint a committee of electronics specialists to consider what will follow the Alvey programme, Britain's £350m project in collaborative computing research which is due to commit all its existing funds by early next year.

Mr Geoffrey Pattie, Minister for Information Technology, has refused to outline any details of the Government's thinking on a follow-up to Alvey, which is supporting 150 individual projects in areas such as software engineering and chip design.

Eighty-five companies are working on these schemes, normally in partnership with other commercial concerns or universities. The Government is contributing £200m to the programme, with industry putting up the rest.

Mr Pattie hinted, however, that whatever followed Alvey would do more to address the European dimension to computing research. It would fit in with other pan-European research schemes already in operation, such as the EEC project in information technology supported by the European Com-

mission and Eureka, a project still under discussion backed by 18 West European countries.

Observers in the computer industry feel that an "Alvey II" programme should emphasise applications-oriented work, rather than basic research.

The Alvey project, started 2½ years ago by Mr Kenneth Baker, Mr Pattie's predecessor as information-technology minister, backs precompetitive work in computing and electronics, which is not linked to specific commercial products.

Scope for fifth TV channel to be studied

By Raymond Snoddy

PROFESSOR Alan Peacock, chairman of the committee looking at alternative methods of financing the BBC, intends to commission independent research into whether there are enough frequencies available to expand television in the UK. The committee plans to investigate the technical feasibility of creating a fifth UK television channel and local city television stations.

Prof Peacock recently visited Italy and was impressed by the number of television stations there. In recent years hundreds of stations have sprung up, most of them local.

"We are bound to ask the question of the engineers why it seems to be possible to have such a large number of stations in countries like Italy and Japan and not have them in this country," Prof Peacock said.

He believes the committee should examine the issue because financing is limited by the number of channels available in Britain.

In Italy a free-for-all on frequencies had existed and occasionally there had been "shoot-outs" for frequencies. "We don't want that sort of thing to happen," Prof Peacock said.

The committee intends to "take the best advice we can" on what is possible. This will include examining the feasibility of low-power city television stations and the technical possibility of creating a fifth national network.

"One suspects that it is a trade-off between more channels and the technical performance."

The committee has heard submissions arguing that transmission of programmes in the UK should be handled by a national transmitter burst or else put out to private tender.

Critics believe unnecessary duplication exists in the present system, where the Independent Broadcasting Authority is responsible for commercial channels transmitters and the BBC for BBC channels, usually from common transmitter sites.

Capital controls on UK multinationals opposed by report

By Christopher Lorenz, Management Editor

BRITISH-based multinational companies have been alone among their national counterparts in reducing domestic employment since the early 1970s while creating jobs abroad. But the overall balance of payments effect of foreign investment by UK multinationals has been positive, and any reintroduction of capital controls would be counter-productive.

These are the main conclusions of a wide-ranging study, Britain and the Multinationals, published yesterday. The report, by Professor John Stopford and Mr Louis Turner of the London Business School, warns that in spite of their overseas investment drive, most UK multinationals are still relatively weak in international terms.

In attacks the Government for giving what it sees as inadequate priority to creating the sort of educational and research infrastructure that industry needs to become more competitive.

Between 1972 and 1983, says the study, 58 leading UK manufacturing multinationals cut domestic employment by over 800,000 - nearly a third of all manufacturing jobs lost - while adding about 200,000 jobs abroad.

The companies' own explanation of this, says the report, is that they were "nearly following a logical strategy" by reducing their exposure to the chronic problems of Britain's manufacturing sector.

They respond by pointing to the fact that "domestic UK companies (ones without significant overseas investments) have destroyed jobs just as fast as British multinationals over the period as a whole - more severely in the 1970s, less so between 1981 and 1983, when multinationals contracted faster."

The report argues that the drive by British multinationals to develop

a greater global presence, and to improve international competitiveness, has been necessary. But it suggests that some companies might have responded too eagerly to overseas investment opportunities while neglecting those at home.

"It is all very well being in the vanguard of the move towards a global economy, but if that leaves the less mobile core of the British economy vulnerable and deserted, such managers can expect to arouse some hostility."

Exporting, as well as foreign investment, can still be a viable route to international competitiveness for manufacturers, the report says.

Although overseas investment by multinationals has had a positive effect on the UK balance of payments by generating investment income and UK exports, the effects could be much more positive were they to be based on stronger positions in the growth sectors of manufacturing.

Too little of Britain's overseas investments in manufacturing are in vestments in manufacturing sectors "that the high-technology sectors" that will provide much of tomorrow's growth in wealth-creation.

The report rejects the idea of curbing multinationals' overseas investments by what it calls "isolationist socialism", and argues that such "dreams... are probably dead unless the government concerned is willing to live with an investment strike on the part of a large section of the multinational community, including many officially British companies."

The study concludes that in spite of fears about the development of a "branch plant economy," inward investment by foreign companies is having a positive effect on the UK.

Britain and the Multinationals published by John Wiley, £12.75.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1980=100); retail sales value (1980=100); registered unemployment (excluding seasonal leavers) and unutilised vacancies (000s). All seasonally adjusted.

	Indl. prod.	Eng. output	Order	Retail value	Unempl.	Vac.
1984						
4th qtr.	103.5	101.3	108	112.7	164.0	3.103
1985						
1st qtr.	104.0	102.7	104	113.3	133.9	3.138
2nd qtr.	108.3	103.5	108	115.0	141.4	3.174
3rd qtr.	107.9	103.0	109	112.7	148.2	3.179
February	105.2	102.3	103	113.9	136.5	3.147
March	107.1	103.5	103	113.5	140.3	3.176
April	108.1	103.3	100	113.3	142.0	3.177
May	108.4	102.7	108	113.3	141.5	3.169
June	108.3	104.5	116	116.0	146.9	3.175
July	107.2	103.4	107	117.5	145.4	3.183
August	107.5	103.4	107	115.9	143.7	3.178
September	109.1	103.2		114.1	149.7	3.175
October						

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

	Consumer goods	Invest. goods	Intmd. goods	Eng. output	Metal mfg.	Textile Housg. etc.
1984						
4th qtr.	102.1	97.4	104.8	100.2	109.5	98.1
1985						
1st qtr.	102.7	102.1	109.2	103.1	111.0	99.0
2nd qtr.	102.2	103.5	113.4	104.4	113.6	99.0
3rd qtr.	102.8	102.8	112.9	103.5	112.2	101.9
February	103.0	102.9	108.4	104.0	114.0	100.0
March	101.9	103.1	113.4	104.0	118.0	99.0
April	101.3	102.9	114.3	104.0	120.0	98.0
May	103.5	104.5	112.4	105.0	121.0	101.0
June	101.7	101.9	112.2	102.0	120.0	100.0
July	101.7	101.9	111.8	104.0	121.0	103.0
August	103.5	103.0	114.6	104.0	117.0	103.0
September	103.1	103.4				

EXTERNAL TRADE—Indices of export and import volume (1980=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1980=100); excluding reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US\$bn
1984							
4th qtr.	119.7	129.1	-1,313	+424	+1,468	96.6	15.52
1985							
1st qtr.	120.5	128.5	-1,283	-533	+1,863	96.5	13.53
2nd qtr.	120.6	126.0	-222	+1,183	+2,652	98.2	14.32
3rd qtr.	115.0	122.1	-250	+2,550	+2,032	100.6	14.18
February	123.6	127.5	-241	-12	+675	96.2	15.35
March	119.6	136.8	-977	-704	+260	96.5	13.33
April	121.8	130.2	-259	+210	+687	97.3	14.03
May	121.7	121.0	+252	+721	+836	98.3	13.88
June	118.4	126.9	-216	+252	+433	99.1	14.22
July	117.0	123.0	-77	+333	+663	99.4	14.26
August	113.4	123.3	-236	+164	+626	101.3	14.26
September	114.6	124.7	-230	+170	+644	101.1	14.28
October	119.1	125.7	0	+400	+760	101.2	16.31
November							15.98

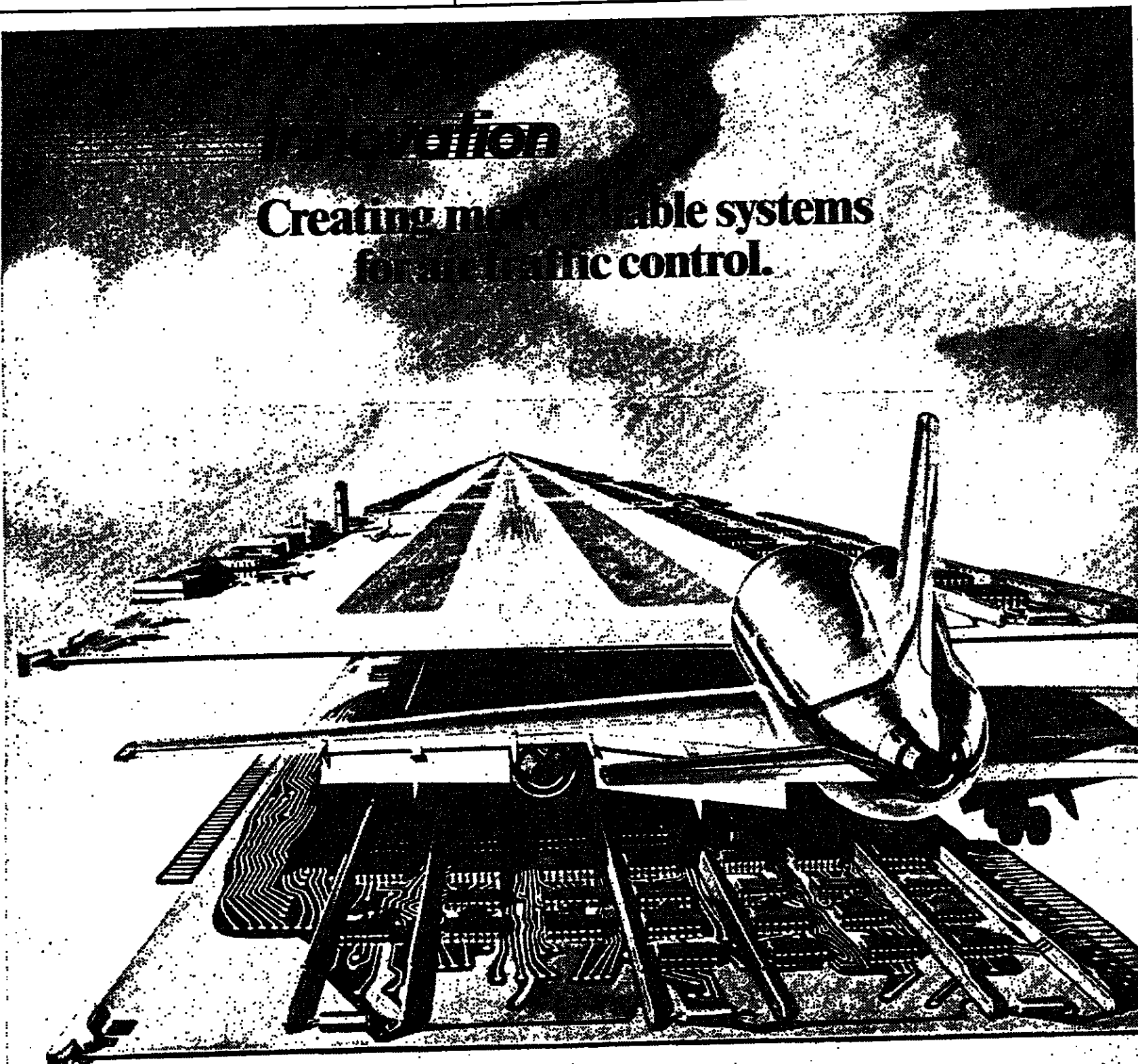
FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector; gross domestic product at annual rate; building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

	M0 %	M1 %	M3 %	Advances	BS inflow	HP lending	Base rate
1984							
4th qtr.	9.6	24.3	13.4	16.9	2,492	2,946	9.63
1985							
1st qtr.	2.2	0.7	9.1	15.2	1,511	2,146	13.50
2nd qtr.	5.1	32.4	20.4	19.2	1,523	2,064	12.50
3rd qtr.	5.5	15.4	11.6	17.5	1,771	2,389	11.50
February	3.1	5.0	4.6	13.3	474	1,013	14.00
March	1.3	1.2	9.2	16.0	214	965	12.50
April	3.4	22.2	18.8	19.8	507	1,061	12.63
May	4.2	33.2	18.4	17.7	615	1,042	12.63
June	5.7	44.6	25.1	20.2	401	961	12.50
July	4.4	19.1	8.3	16.8	650	1,129	11.50
August	2.4	22.9	14.4	21.8	524	1,126	11.50
September	1.1	3.2	12.3	14.1	597	1,125	11.50
October	1.5	24.9	19.4	18.7	796	1,147	11.50
November							

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1982=100); trade weighted value of sterling (1975=100).

	Earnings	Basic matls.	Wholesale mfg.	RPI*	Foods*	FT* comdty.	Strlg.
1984							
4th qtr.	164.1	140.1	134.3	358.3	328.8	289.64	74.1
1985							
1st qtr.	165.4	146.2	136.6	362.9	332.8	295.22	72.0
2nd qtr.	170.3	138.8	139.4	373.3	339.4	278.13	78.9
3rd qtr.	163.2	140.1	136.2	362.7	332.5	291.12	82.2
February	164.6	147.6	136.6	362.7	332.5	293.73	71.3
March	168.1	145.5	137.5	366.1	335.4	295.22	73.3
April	169.4	140.8	139.2	373.9	338.8	295.08	78.0
May	169.4	138.2	139.5	375.6	339.3	279.98	78.7
June	171.9	136.7	138.6	376.4	340.1	278.13	79.9
July	173.7	139.9	140.1	375.7	335.3	259.51	89.6
August	173.4	132.8	140.1	378.7	335.3	254.24	81.6
September	176.0	132.8	140.4	376.5	335.8	251.12	81.4
October		131.5	140.5	377.1	333.5	249.46	80.6
November							80.0

* Not seasonally adjusted.



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EDITED BY ALAN CANE

Alan Cane reports on a sophisticated component hardening technique that promises substantial savings

Heat treatment drops back-room image

ORDERS ARE being signed in the US for equipment which makes possible a sophisticated technique for hardening the surface of steel components such as gears and cold stamping dies. It promises substantial savings by halving processing times, eliminating post-treatment machining and improved product quality.

Automobile and aerospace manufacturers, both of which use extensively such hardened steel components as gears, shafts and cams, are in the vanguard of companies looking enthusiastically at the technique.

It is called plasma carburising and it involves enriching the surface of the component with carbon using a hydrocarbon source such as methane or propane in the form of a "plasma," a hot, fully ionised gas. Conventional carburising involves hot gas or a hot salt bath, both environmentally fairly objectionable.

The equipment for plasma carburising comprises a large vacuum furnace complete with automated and built-in equipment for "quenching" (cooling in an oil bath) the steel components after treatment.

Three companies world-wide are making the running in plasma carburising. Abar Ipsen International is now believed to be the largest manufacturer of heat treatment and surface treatment equipment in the world.

It was formed last March, through the merger of Ipsen Industries, a subsidiary of the TI group. It is owned 50:50 by TI and Alco Standard of the US. TI has the option to buy outright in three years time.

The principal competition is Surface Combustion, of the US and Uivac of Japan.

So far, only Surface Combustion and AII see into have sold plasma carburising vacuum fur-

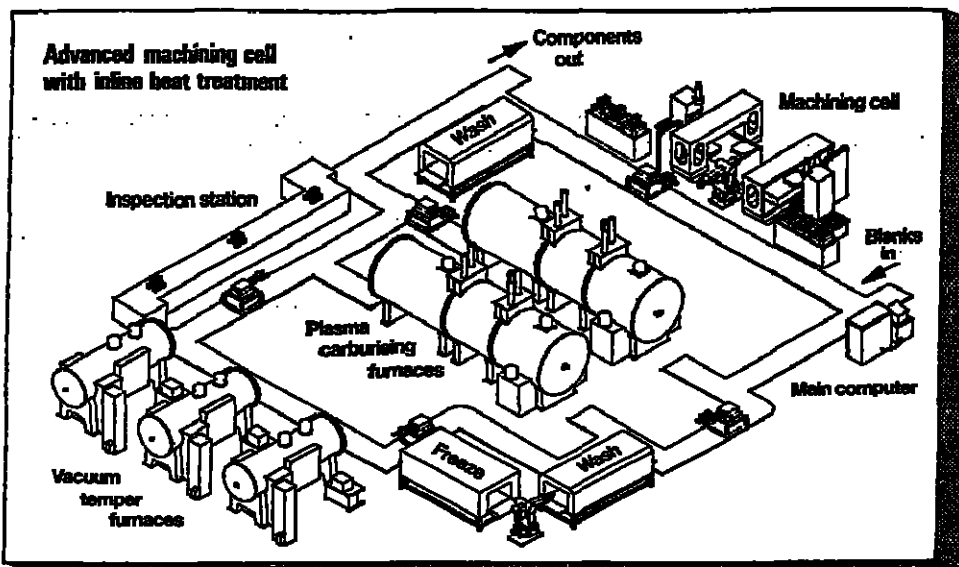
naces and neither has yet installed and commissioned their new equipment. So they are both being coy about the identities of their first customers.

Plasma carburising itself is not new. The general principles have been known for seven or eight years. What has been lacking, said Dr Michael Jacobs, AII technical director, has been the ability to carburise large work loads — up to say, 350 kg — routinely in a reliable fashion.

There is a further advantage inherent in plasma carburising technology which gives it the edge over existing techniques such as pack, salt-bath or gas carburising: it takes place in a sealed chamber, and so is environmentally acceptable.

This is exciting the aerospace companies who envisage setting up manufacturing cells with the surface processing furnaces in situ.

Dr Jacobs says: "Heat treatment is now shaking off its



traditional image as a back-room activity. For the first time, new heat treatment equipment and processes can be integrated in-line, perhaps as part of a flexible manufacturing cell."

AII has been running a plasma carburising furnace on a demonstration basis at TI's research laboratories, Hinxton Hall near Saffron Walden, Essex, for more than a year and Dr

Jacobs is convinced that the technology is now mature enough to be moved out of the development laboratory and in-line to the market.

He believes AII has a technological edge on its competitors in two areas. The design of the "hot" zone of the vacuum furnace gives temperature uniformity and thermal efficiency.

Using a method called pulsed power supply to provide energy to the furnace eliminates arcing between the electrodes and the work pieces. This suppresses "hollow cathode" discharge which is the bane of gas plasma work for high intensity plasma can form in cavities and cause local overheating effectively destroying the value of the workpiece.

Pulsed power supply was developed by the French company Vide et Traitement de Neuilly en France which has been collaborating with AII in developing carburising furnace development.

Where straightforward direct current is used, AII says, arcing can melt the workpiece and the danger of hollow cathode discharge limits are size and shape of load which can be treated.

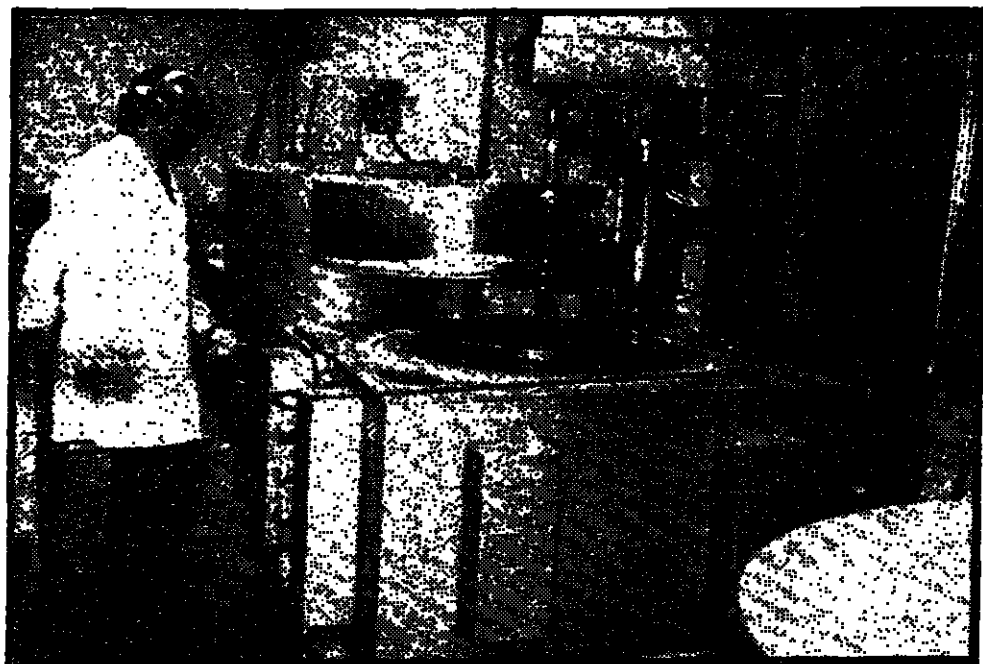
The Vide et Traitement technique supplies direct current to the furnace at 1,000 pulses a second.

Dr Jacobs claims the advantages are:

- Fifty per cent or more reduction in processing time.
- Accurate computerised control ensuring predictable surface hardness and depth of casing.
- Better fatigue properties.
- Reduced distortion.
- Little or no post treatment machining.

● Lower gas and energy consumption.

● No environmental pollution. Depending on size, a plasma carburising furnace can cost £250,000 to £500,000, more expensive than conventional furnaces but where process control and product quality are critical, the plasma route now seems infinitely superior.



Camlaw's first Toyota Diffusion salt bath furnace at British Heat Treatments

THERE ARE two distinct markets for heat treatment furnaces.

Companies such as Abar Ipsen specialise in vacuum furnaces; others—Camlaw of Tamworth in Staffordshire is a good example — specialise chiefly in furnaces which are open to the atmosphere or where special gas mixtures are used to protect the heating elements.

Camlaw, a comparatively small company with a turnover in the region of £2.5m, is in competition with such companies as Wellman Furnaces and Wild Barfield in conventional heat treatment devices, as well as FHD and the West German company Degussa in special high temperature furnaces. It is putting considerable emphasis on new technology to maintain a competitive edge.

Its high-tech approach seems to be paying dividends. It has been specified by British Heat Treatments, a leading UK

based contract heat treatment shop, to manufacture the furnaces required for the Toyota Diffusion process, a technique for hardening the surface of tool and die steel that BHT has licensed from Toyota.

Camlaw has built the first TD salt bath furnace and supporting equipment to be manufactured in the UK. It has been installed in BHT's tribology division to treat tools and components and to demonstrate the process and furnace technology which the two companies can make available.

The TD process is used to coat the surface of steel components, tools and dies with vanadium carbide, niobium carbide or chromium carbide. It involves immersing the work pieces in a bath of molten borax to which the coating metals have been added.

They react with carbon in the surface of the steel to form their respective carbides. Steels so treated show

excellent resistance to wear, seizure, corrosion and oxidation. The Japanese have used the process to increase the operating life of tools and dies in metal stamping, hot and cold forging, wire and tube drawing, powder compacting and metal castings.

The TD furnace is an example of Camlaw's skills at developing special devices. But its traditional range of furnaces are similarly innovative. Mr Malcolm McQuirk, Camlaw's managing director, says the company is incorporating new technology in its products in three principal areas.

It is making powerful use of microprocessors in the furnace control systems, which means that the processing cycle can be significantly automated, giving greater reliability and reproducibility.

Its furnaces are becoming smaller and lighter through the use of new insulating materials. It uses ceramic fibres to

keep in the heat compacted into insulating blocks in a process called stack bonding.

The company has developed special heating elements for its high temperature furnaces based on molybdenum. Conventional furnaces use nickel-chromium elements, but these melt at the 1,600-1,700 deg C temperatures necessary for many industrial heat treatment processes.

Camlaw's elements are called bunched molybdenum wire and they have proved so successful that competitors are now releasing their own versions.

These elements have to be protected by enveloping them in a special gas mixture. Camlaw sells its heat treatment equipment to most of the leading metal working companies—automobile manufacturers, aerospace companies, the nuclear industry and the like. Its furnaces cost from £20,000 to £150,000; they are pre-wired, pre-piped and pre-tested with integral panels.

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Fibre-optic motion sensor

HERGA ELECTRIC of Bury St Edmunds, mainly known for air operated and vacuum switching systems, has developed a motion sensor based on fibre-optic technology.

The sensor is based on the fact that if an optical fibre is bent through a sufficiently small radius, some rays of light, instead of following the fibre, escape from its outer surface.

Herga has surrounded the fibre with a polymer spiral which, when compressed laterally anywhere along its length, induces a number of "microbends" spaced by the spiral pitch. These can have the effect of preventing any of the light reaching the far end of the fibre, allowing the system to act as a switch.

The company says a near linear relationship exists between light blocking and compression, allowing measurements to be made.

An early application has been in sensing contact with the bumpers on the Babcock Fata automatic guided vehicle. The company is also experimenting with a safety mat to keep operators away from dangerous machine areas.

More on 6254 701422.

Optical disk drive available

A COMPACT optical disk drive made by the US company Information Storage is to be distributed in the UK by CPU Peripherals of Woking, Surrey.

CPU is among the first to offer 3 1/2 in optical drives. Philips is also now making its drive generally available after supplying it privately.

The ISI drive, model 525WC, provides 100 megabytes of non-erasable storage and can transfer data at 2.5 megabits a second, with an average access time of less than a fifth of a second.

More on 04862 73683.

DE NOVA "TECHNOLOGIA"



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THE ARTS

Exhibition/Patricia Morison

A patron and a scholar

Plenty of politicians combine arrogance with ambition, whereas few burn with a passion for art and, these days, fewer still delight in scholarship. Yet in Stuart England many great figures were all these things, and none more so than Thomas Howard, second Earl of Arundel (1585-1646). "Froud Arundel" was one of the greatest and most influential collectors this country has known, and he is worthily commemorated 400 years after his birth in an exhibition at the Ashmolean Museum in Oxford (until January 12).

East was Lord Arundel's collection of paintings, sculpture, antique gems, manuscripts, prints and drawings that he reassembled at his own cost and at the expense of his country. The Ashmolean has opted for a representative grouping of Arundeliana from within Britain, which still makes this the richest loan exhibition ever held at the museum, with the Queen and Arundel's descendant, the Duke of Norfolk, among the lenders.

Five Van Dycks, two Rubens, Holbeins and Durers keeping company in one gallery would be enough to make this an arresting show. However, its wider interest lies in a clever choice of works which evoke Jacobean culture through a man of pre-eminent taste and breadth of interests. A winter pear was how Arundel was charmingly described, for he ripened slowly and it was not until his late 20s that he made his famous first visit to Italy. It transformed him into a collector to vie with the greatest in Europe, and into what Rubens called "one of the evangelists of our art."

Being the son of a saint is a hard act to follow. Sir Philip Howard was executed in the Tower for the Old Faith without ever seeing his son; he was canonised in 1970. Arundel sensibly took little interest in God and a great deal in Mammon. He spent years rebuilding the family fortune, only to find all wrecked in the Revolution. A marvellous bust of Arundel by Dieussart towers above visitors, reminding them of the price which repelled even his heirs in an age when modesty cut no ice. Yet it was family pride coupled with real aesthetic passion which made Arundel the great patron and collector.

A magnificent illustrated genealogy of "Howard, a noble English Saxon," in a red suit with dreadlocks, shows how Arundel, as hereditary Earl Marshal, kept heralds beaver-



Detail from a Van Dyck painting of the second Earl of Arundel with his grandson, Thomas

ing away on his lineage. His immediate family was disastrous. Countess Aethia took an unscheduled holiday in Venice, to the scandal of the court, returning with a gondola and buckets of edible snails. She abandoned the penniless Arundel in exile. The sons were disappointing and the beloved grandson Tom, shown with Arundel in Van Dyck's touching portrait, was an idiot when he inherited the duchy for which his grandfather had laboured in vain.

There are many lesser delights in this exhibition: sketches by Arundel's friend, Isigo Jones and fine engravings by Wenceslaus Hollar, for Arundel was unusual for the time in appreciating prints. Arundel may have always worn black and bought the grimmest of all Baroque paintings, Titian's *Flaying of Marsyas*, but he had a lighter side. A letter on view shows his warmth towards the agents who scoured Europe and the Mediterranean

for art treasures. Even the mildly risqué found its place, in a spectacular cabinet (least known of the works on view), whose innermost section hides Mars and Venus in *flagrantis*.

Those with keener eyes will be able to see whether Arundel's antique cameo ring really shows a hermaphrodite in the surprising pose which one learned professor has discerned. More respectable proof of Arundel's love of the antique lies downstairs in the Randolph Gallery with the famous Arundel Marbles. Their misadventures chronicle the transition of a collector's work: Homerus, a battered book, only arrived permanently at the Ashmolean last year.

David Howarth's *Lord Arundel and His Circle* (Yale University Press, £30.00) conveys a wholly infectious enthusiasm for his hero. A mass of detail is kept under control making this not only an important but a highly readable contribution to English cultural history.

Moves/Sadler's Wells

Clement Crisp

London Contemporary Dance Theatre opened its winter season in Rosebery Avenue on Tuesday with a programme which included the welcome acquisition of Jerome Robbins' *Mores*. Created 25 years ago, this "ballet in silence" proposes that movement alone, with the aid of atmospheric, dramatic and emotional tensions, without the aid of score or design. The dance and the dancers are thus very "exposed," and the work establishes an air of extreme concentration as it progresses. The least gesture acquires an added weight of physical and psychic meaning; the development of lines of activity, the responses and contrasts as an idea passes among the cast of 12, gain heightened significance.

To sustain such closeness of attention presupposes that the choreography itself has a clear

purpose, and this is everywhere manifest. Robbins' inventiveness, his ability to catch and hold the eye with a small incident—as when a quartet of reclining women seem focused upon the movement of one girl's leg; or when a single small leap is intensified into an almost audible crescendo as the cast of 12 dancers takes it up—develops a mood of unusual physical potency. The piece is well done, and is well worth doing.

The opening *Bridge the Distance* is Siobhan Davies' view of Venetian architecture in terms of human relationships. The effect is somewhat other. The text appears loose in form, disjoint in its components, and only in the extraordinary solo for Patrick Harding (titled as an Aschenbach figure) do we sense some contact with the city,

though not with its façades and structures. The costume continues to worry me: drab day-dress—with the women bare-foot—suggests nothing so much as a group of dispirited tourists who find little to enchant them in that most enchanting city.

The costume for Tom Jobe's *Rite Elektrik*, which closes the first triple bill, is brilliant and brilliant, as is a portrait of 1980s punk/bondage gear. Like Peter Darrill's *Moss and Rockers* of two years ago—how time and fashion fly—it is as vivid as a flash-photo of an age. Its extravagance, the adolescent boldness of manners and dress, are matched by Barrington Pheloung's saxophone study and by the quickness and drive of the dancers. This is the way they are.

Nothing could better exemplify the dichotomy between the elitist and the populist view of dance than the response to Maurice Béjart's *Ballet of the Twentieth Century*. Most critics abhor the work. The public loves it, though it is safe to say that the audience that goes to New York City Ballet, say, in 1971, when his company first appeared in New York, is not the same as the one that goes to the New York City Center in November 1985. (It may be that they were the same people, 14 years older.)

Béjart also illustrates an important difference between European and American dance. In Europe, the dancer is seen with subject-matter, while in America it has more to do with formal considerations. But whatever the supposed content

of Béjart's work, he fails to communicate it through dance structure and vocabulary—you have to take it on faith.

The principal attraction of this season's repertoire was his new evening-length work (the programme for some reason calls it "a film by Maurice Béjart") *Le Concours*, which purports to be both a murder mystery and a spoof of international ballet competitions: one of the contestants is murdered, and a detective is called in to investigate. The narrative aspect of the piece is desultory and slipshod, full of reg. herring, and with a denouement that comes as no surprise. The programme speaks of the victim's "strange and contradictory personality," but this is made manifest mostly through costume changes.

The setting might have afforded the opportunity for some clever satire on the dance world, but whenever Béjart attempts this he proves incapable of it. He uses the same choreographic devices for

everything: the parodies of different dance styles—classical, avant-garde, or whatever—all look like standard Béjart. He steps himself up and down, twitches that make the dancers look like spastics. As for the various personages involved, the contestants, the judges, the hangers-on, the suspects, Béjart resorts to shameless caricature, as in the randy, gum-chewing American judge, played by Colleen Neary, formerly with New York City Ballet.

In another programme, Neary appeared to better advantage as the lesbian in Béjart's 1957 work *Sonata a trois*, based on Sartre's *Huis-clos*, a proto-typical existentialist ballet about three people trapped in their private hell. As always in such pieces, there are chairs for the characters to sit on, sling around, and sometimes put on their heads. In more senses than one, the ballet doesn't go anywhere—once the situation is set up, there's nothing Béjart can do with it. *Seven Greek Dances* (1982) at least adds

another element—Greek folk dance—to his usual choreographic mixture, however vestigially, and the pretentiousness is for once confined to the programme note, which one can ignore.

His new ballet to Stravinsky's *Le Balcon de la fête*, on the other hand, is a hopelessly confused attempt to deal with life, love, destiny, and what-have-you. Stravinsky's wonderful score, his homage to Chalkovsky, has defeated better choreographers before now. Balanchine, for instance, made several attempts to solve the problem of the protracted adagio finale, and finally made a distillate of the ballet's theme to the *Discretissimo* extracted from the complete score (omitting the epigrammatic air altogether). Béjart adds music—bits of the original Chalkovsky in other arrangements, as well as wind noises and even a voice-over narrative. Instead of telling the story in dance terms and letting the allegory take care of itself (always the best way) he piles on the symbols,

At one point, for no logical reason, we are in a ballet studio, where dancers are watched by a St. Petersburg family ("witness") and the fairy enters in the biggest full ever seen.

What makes the *Ballet of the Twentieth Century* so depressing is the fact that there are good dancers in the company. True, the women tend to look demoralised—the emphasis is on male virtuosity, not to mention the male physique. Eric Vi-An, a guest artist from the Paris Opéra, is inexpressive but athletic as the Young Man in *Baiser*. Marco Berriol almost manages to make a coherent dance characterisation of the detective in *Le Concours*. Saddest of all is to see Ronald Perry, formerly of Dance Theatre and one of the finest dancers in America, has produced, wasted on such rubbish, though his *Jeunesse* were the best bit of dancing in *Le Concours*. The real reproach is to Ballet Theatre, which failed to use his talents.

Arts Guide

Exhibitions

TOKYO

Impressionist Masterpieces: From the Art Institute of Chicago, 65 items from one of the world's largest collections trace the development of Impressionism from Millet and Courbet forward, including are Renoir's *On the Terrace*, and Cézanne's *The Bathers*. Seibu Museum of Art, Seibu department store, Ikebukuro Branch. Closed Thur. Ends Dec 17.

NEW YORK

Metropolitan Museum of Art: The travelling show, India, arrives from Washington with 350 examples of five centuries and numerous flourishing periods of art and craft. Ends Jan 5.

Asia Society: Complementing the Metropolitan show, Akbar's India concentrates on the 40-year reign of the sixteenth-century Mughal emperor who built Fatehpur Sikri and inspired the works represented here by 80 paintings as well as metal work, carpets, and textiles. Ends Jan 5.

Museum of Modern Art: Making generous use of the Riklis Collection of the McCrory Corporation, this exhibit of geometric abstract art of the twentieth century includes works of Mondrian, Piet Mondrian, Constructivists and American Minimalists as well as Cubism and Bauhaus. Ends Jan.

Guggenheim Museum: 55 major sculptures of the 20th century, including Giacometti, Nevelson, and Johns.

are part of the theme Transformations in Sculpture, meant to cover pop art, minimalism and Arte Povera, among other movements of the past 40 years. Ends Feb 15.

Pierpont Morgan Library: 200 British photographs from the Victoria & Albert Museum cover Fox Talbot to Julia Margaret Cameron and Lewis Carroll among the earliest practitioners in the years from 1839 to 1900. 38th St & Madison Av. Ends Feb 2.

WASHINGTON

National Gallery: The Treasure Houses of Britain collects 700 objects from 200 stately homes in a show mounted and decorated to look like the quintessential stately home, with paintings by Holbein, Rubens, Van Dyck, Hogarth and Turner among many others, as well as Chippendale furniture, Meissen and Sevres porcelain and tapestry, jewellery and armour. Ends Mar 9.

Hirshhorn: The recent allegorical and romantic strain in Italian painting is represented in a show of 48 works, including lesser known artists such as Carlo Bertone and Patricia Cattaneo as well as the well known Sandro Chia, Mimmo Paladino and Carlo Maria Mariani. Ends Jan 5.

National Gallery: 118 Master Drawings from the fifteenth to nineteenth centuries lent by the Swedish Nationalmuseum include works by Dürer, Rembrandt, Rubens, Van Dyck and Goya. Ends Jan 5.

Chicago: Art Institute: Chalk & Chisel combines 11 sculptures with more than 80

sculptors' drawings to show the interplay between preparation and execution in the work among others of Rodin, Arp, and Hyscock. Ends Dec 12.

PARIS

Picasso Museum: The 17th century Hôtel Sale, sumptuously restored, provides a fitting home for the world's largest collection of Picasso's work. It comprises 203 paintings, 158 sculptures and more than 3000 drawings and engravings, 16 collages and 86 pieces of ceramics. It is completed by Picasso's own collection of paintings by his friends, such as Braque and Matisse, or by artists he admired, Renoir, Cézanne, Drouaier and Rousseau. Musée Picasso, Hôtel Sale, 5 rue Thorigny, Paris 3e (271.2421). Closed Tue.

Sir Joshua Reynolds: The artist's first exhibition ever in France, organised with the London Royal Academy and British Council's aid. It follows the Gainsborough and Turner exhibitions and acquaints the surprised French public with the history of English painting and with the re-emergence of the portraitist. Musée d'Art Moderne, 11 Avenue du Président Wilson (47.23.6127). Closed Mon. Ends Jan 3.

Madrid, a retrospective of 200 paintings, waxen and drawings by master of Cuban Juan Gris (1887-1927) on loan by private collectors and museums of Europe and the U.S. The exhibition offers for the first time in Spain a comprehensive survey of Gris's best works. Biblioteca Nacional, Sala Picasso, Paseo Recoletos 22. Until end of Dec.

Madrid: Toulouse-Lautrec. For the first time in Madrid, an excellent assembly from the Musée d'Art Moderne, 31 posters, 12 paintings, six drawings and 37 lithographs including his 12 *Elles* and the series *At the Circus*. All from 1891-1900 just before his death. A good exposure of La Belle Époque and Montmartre. Café de Barcelone, Velázquez 63. Free entry. Ends Dec 9.

than 300 of the artist's drawings and 200 manuscripts belonging to the Bibliothèque Nationale. Petit Palais, closed Mon (29.52.73).

Modern Masters of the Twentieth Century: The 107 paintings from one of the world's most remarkable private collections constitute a panorama of modern art which is anything but didactic. German Expressionists were one of Baron Thyssen's first loves, quickly followed by Kandinsky and the Russian avant-garde. Monet, Renoir, Degas, Lautrec create another centre of interest, while Picasso's *Homme à la Clarinette* is one of the Baron's favourite acquisitions. Musée d'Art Moderne, 11 Avenue du Président Wilson (47.23.6127). Closed Mon. Ends Jan 3.

SPAIN

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ITALY

Florence: Museo di Storia della Scienza: A History of Spectacles. More than a hundred pairs of glasses from the Zeiss Foundation (in E. Germany). This is the first time the collection has been shown publicly. Exhibition also includes engravings by Dürer, Rembrandt and Japanese artists. Ends Jan 11.

Roma, Istituto San Michele, Via di S. Michele. Seeing the Invisible—a project for a science museum. Rome lacks a science museum, and this exhibition suggests how such a museum might get the non-specialist public involved and interested in scientific research. Sections on visual perception (how our sight functions), and how we can be fooled into seeing what is not there; astronomy, biology, physics and computers (explaining their uses and limits). Super for children. Ends Dec 7.

WEST GERMANY

Berlin, Nationalgalerie: Art from 1945 to 1985. With 500 works by 220 artists the Berlin National Museum will display an extensive exhibition of post war art. Ends Jan 12.

Stuttgart, Neue Staatsgalerie: A retrospective of 81 works of the British artist Francis Bacon (born in 1909). The works, covering 40 years, are on loan from the Tate Gallery, London. Ends Jan 5.

Berlin, Kunsthaus am Wall 207: Klee drawings and paperworks from 1921 to 1933. Ends Jan 5.

Düsseldorf, Kunsthalle Grabbeplatz: Joel Shapiro: First stop for an exhibition covering 80 abstract sculpt-

ures and paintings by the American artist in the last nine years. Ends Jan 12.

BRUSSELS

Armada Treasures: 2,000 items from the Ulster Museum. A variety of objects including a gold salamander set with rubies, rings and a three-tonne sledge gun raised from three ships, Girona, Trinidad Valenciano and the Santa Maria de la Rosa, all wrecked off north and western Ireland in 1588. Credit Communal until end Jan.

NETHERLANDS

Amsterdam, Van Abbe Museum: The ethereal works of Nicola de Maria in a colourful display of paintings, drawings and watercolours. Ends Dec 8.

Amsterdam, Maison Descartes (Vrijheidstraat 2a): Season of French experimental films, including Cocteau, Varda and Bidault (Tue and Thur). (22.48.38).

VIENNA

Art From The Stones: Art lithography from original to the present. This exhibition shows the versatility of nearly 200 years of European lithography. Most artists seem to have had a try at drawing or painting on the stone—from Goya to Picasso, Delacroix to Chagall, Toulouse-Lautrec to Miro, Munch and Beckmann. The exhibition explains how lithography began, how it is done, and goes a long way to explain its continued fascination for artists. At the Albertina until Dec 8.

New Music in London

The composer and writer Bill Hopkins died in 1980, at the age of 37. He was best known for his articles on contemporary music, and for his entries for *The New Grove* (on Boulez, Dukas, Ravel and Stockhausen) in particular. Of his own music, only a small portion of which he allowed to survive, I had heard nothing until Tuesday, when the Near Macgibbon Concert at St John's Smith Square included three works, given by Jane Manning and Music Projects/London, conducted by Richard Bernas.

All of them are quite small-scale and fastidiously put together. Hopkins was profoundly influenced by Barraqué, and his extreme self-criticism seems to have been carried over into Hopkins's own compositions. One of the pieces, *Sonata* (1985), a relatively extended group of settings of Rimbaud and Beckett, recalls Barraqué in its high tensile expression and incipient sensuousness; the tiny *Two Pomes* (1984), to texts by Yeats, is a minimalist, minimalist with extreme care and an unflinching ear for spare instrumental colour. The solo violin *Pendant* (1989) played by Alexander Balanescu offered

a sharp contrast, with music of fierce, forbidding austerity that suggested a highly rigorous and undisclosed sub-text. After a short, disappointingly inconsequential new work for violin and percussion, *off* for pathos, by Roger Redgate, Barraqué's *Séquence* ended the concert. It sounded as powerful and passionately lyrical as ever, with a range and sweep that distinguishes Barraqué's music from that of most of his contemporaries, and made one regret again that two of his most substantial works remain unperformed in this country. *Séquence* ideally demands a singer of heroic, operatic cast; Miss Manning does not possess that kind of voice, but brought great attention and intelligence to bear upon the detail and nuance of the ornate lines.

Andrew Clements

In the second instalment of the *Music of Eight Decades* series (a shame so interesting and well-varied a concert should have drawn so thin a Festival Hall audience), Edgar Howarth conducted the *Symphony* in works by Ligeti, York Höller, Bernard Rands, and Ravel.

Höller's Piano Concerto (a BBC commission, with Peter

Donohoe its superb soloist) is scored with absolute mastery, and fashioned with notable finesse and delicacy; his sureness of aim made the first encounter a rare pleasure. Upon a carefully controlled harmonic foundation Höller places layers of lacy, fluttery, arpeggiated instrumental texture—the piano part alone compiles a contemporary thesaurus of beguiling multi-note figuration. But the work is not just a collection of aural titillations; it has shape, direction, and clear design. I look forward to hearing it again.

By contrast, Rands' six musical studies on Van Gogh that comprises his Suite *Le Tambourin* (1984) leave a much heavier and less certain first impression. His intention was not to collect a set of musical pictures, but to "translate" the inner working of each chosen painting into musical equivalents. Each movement sets out its own distinct palette of musical colours (ranging from the Debussy half-tints employed in "Sorrow" to the garish brightnesses of "Au Tambourin"); each has a vivid basic idea, but the scoring for a very large orchestra produces a thick impasto, to which an electric organ often adds a queasy clotting effect, and one

comes to feel that each movement has gone on beyond its natural capacity.

Max Lippert

It is one of the tragedies (not to say one of the scandals) of modern British music making that so large a number of the orchestral concerts we hear from day to day are given without any kind of adequate rehearsal or preparation. It's a fatal fact of orchestral life, say the orchestral managers: they can't afford more rehearsals. And if the orchestra, together with a single voice, in the name of old-fashioned higher standards, were simply to refuse to play any programmes without adequate rehearsal? It might mean marginally fewer concerts, but I suspect that in the great majority of cases the extra money or resources could and would be found.

The new work by Simon Bainbridge which opened Tuesday's London Symphony Orchestra concert at the Barbican Hall was a special commission from the City University's music department to celebrate its own 10th anniversary. It's a short but tricky piece for eleven brass players and three percussionists, and it had been allocated that morning less

than half an hour of the concert's total three hours rehearsal time. The performance was predictably, by any decent standards, a shambles, and the fault was neither the composer's nor the performers', some day I hope to review the piece properly after hearing it properly played.

The LSO's performance under Lukas Foss of Mozart's C major concerto with the young pianist Stephen Hough had much to recommend it: elegant phrasing and beautiful articulation from Mr Hough especially, and easy fluency from the orchestra. But how much more painful, and polished it could have been with just an hour's more preparation! As a finale, Chalkovsky's sixth symphony was given a genial run-through. The LSO is far too good and professional a band, and Lukas Foss far too experienced an old hand, to let anything slip badly. But you know, I know, everybody knows that, real music making is more than that. Foss and the LSO together have the potential to achieve an unusually interesting, and maybe a very fine, performance of Chalkovsky's greatest symphony, but no time to achieve it.

Dominic Gill

Edmond/Royal Court

Michael Coveney

David Mamet's 75-minute play, given in Chicago and New York in 1982 and now in a joint production on Broadway by the New York Theatre Company, New York, and the Royal Court, is a stunning morality play, glittering and disturbing, suspended in the dark void of contemporary New York. One of the named characters in Mamet's text is Wallace Shawn. In its savage cartoonery, Edmond resembles much of Shawn's work; it is also a technically adventurous piece, pared brutally to the narrative bone, highly theatrical in its scenic elisions.

Edmond is told by a palmist that he is somebody special. He tells his wife he is leaving her and she throws him out. He tries to buy sex but haggles over the price. He pawns a ring and buys a knife. On the subway platform, he tells a lady that the hat she wears reminds him of his mother. She tells him to get lost and he screams abuse at her. He attacks a thief and, elated at coming alive in violence, confidently picks up a waitress. They make love,

vent rage against "blacks" and "faggots," turn against each other.

Edmond is arrested on his way to a revivalist meeting, is identified by the hat lady, put on a charge and into a cell. The knife leads to further charges, his wife arrives not to lend support, a black prisoner makes sexual demands. As he hero himself exclaims, "What a day!" The arguments of whether we act the way we do because of destiny or environment are summarised in a lyrical coda. All along it is left tantalisingly unclear whether Edmond is suffering a breakdown or has merely snapped and been unlucky.

The picaresque fable is staged with wonderful fluency by Richard Eyre, William Dudley's emblematic settings of the message parour in a pawnshop, a church exterior—materialising within a black box topped off with minimal steel girders and catwalks. Colin Stinton has come from Chicago to repeat his perform-

ance as Edmond and combines a curious emotional blankness with a pernickety sense of decency in every flagrantly indecent situation. There is here a remarkable sense of a character wanting to break free and going about doing so with rare indecency and inefficiency.

The other roles are shared among eight actors. Connie Booth is firm and forthright as the abandoned wife, Miranda Richardson touching and wait-like as the stage-struck waitress, Linal Haft ruefully sympathetic as a bar-stool philosopher.

In *American Buffalo* and *Glengarry Glen Ross*, Mamet composed complex stage poems rooted in particular speech rhythms and argots. In *Edmond* he reverts to the revue shuttling style of earlier plays like *Sexual Perversity and Duck Variations* while simultaneously moving into new structural and tragic dimensions. It is no less than thrilling to have this superb dramatist back on a London stage.



Colin Stinton

Alastair Mul

Béjart in New York

David Vaughan

Everything: the parodies of different dance styles—classical, avant-garde, or whatever—all look like standard Béjart. He steps himself up and down, twitches that make the dancers look like spastics. As for the various personages involved, the contestants, the judges, the hangers-on, the suspects, Béjart resorts to shameless caricature, as in the randy, gum-chewing American judge, played by Colleen Neary, formerly with New York City Ballet.

In another programme, Neary appeared to better advantage as the lesbian in Béjart's 1957 work *Sonata a trois*, based on Sartre's *Huis-clos*, a proto-typical existentialist ballet about three people trapped in their private hell. As always in such pieces, there are chairs for the characters to sit on, sling around, and sometimes put on their heads. In more senses than one, the ballet doesn't go anywhere—once the situation is set up, there's nothing Béjart can do with it. *Seven Greek Dances* (1982) at least adds

another element—Greek folk dance—to his usual choreographic mixture, however vestigially, and the pretentiousness is for once confined to the programme note, which one can ignore.

His new ballet to Stravinsky's *Le Balcon de la fête*, on the other hand, is a hopelessly confused attempt to deal with life, love, destiny, and what-have-you. Stravinsky's wonderful score, his homage to Chalkovsky, has defeated better choreographers before now. Balanchine, for instance, made several attempts to solve the problem of the protracted adagio finale, and finally made a distillate of the ballet's theme to the *Discretissimo* extracted from the complete score (omitting the epigrammatic air altogether). Béjart adds music—bits of the original Chalkovsky in other arrangements, as well as wind noises and even a voice-over narrative. Instead of telling the story in dance terms and letting the allegory take care of itself (always the best way) he piles on the symbols,

At one point, for no logical reason, we are in a ballet studio, where dancers are watched by a St. Petersburg family ("witness") and the fairy enters in the biggest full ever seen.

What makes the *Ballet of the Twentieth Century* so depressing is the fact that there are good dancers in the company. True, the women tend to look demoralised—the emphasis is on male virtuosity, not to mention the male physique. Eric Vi-An, a guest artist from the Paris Opéra, is inexpressive but athletic as the Young Man in *Baiser*. Marco Berriol almost manages to make a coherent dance characterisation of the detective in *Le Concours*. Saddest of all is to see Ronald Perry, formerly of Dance Theatre and one of the finest dancers in America, has produced, wasted on such rubbish, though his *Jeunesse* were the best bit of dancing in *Le Concours*. The real reproach is to Ballet Theatre, which failed to use his talents.

Saleroom/Antony Thorncroft

Nov 29-Dec 5

Auction record for Signac

Confirmation that there is currently strong demand for the very best pictures but little interest in works of medium or low quality was on hand at Sotheby's sale of Impressionist and modern pictures on Tuesday night which, like Christie's a day earlier, did remarkably well, with a total of £8,314,900 and only 10.6 per cent unsold.

As expected the top price was the £726,000 paid for "Brise, Couronne, Fresto" by Paul Signac. It was an auction record for the artist. The picture was one of nine which had belonged to the late Sir Charles Clore. All told they brought in £2,288,000 for Jewish charities.

Another artist record was the £118,800 for "Roofs, St Ives," painted by Ben Nicholson in 1948, and another Clore picture. A private buyer paid £605,000 (way above estimate) for "Au théâtre, la loge" by Renoir and Picasso. "Glaciers à Bannecourt" by Monet made £341,000; "L'Église de la mélancolie" by the Surrealist Paul Delvaux sold to Marlborough Fine Art for £302,500; and the Japanese dealer Umeda acquired Picasso's 1918 "classical" portrait of his first wife Olga for £269,500.

The most important lot in Sotheby's auction of portrait miniatures, one of 23 surviving by Lucas Horenbout, of Charles Brandon, Duke of Suffolk, failed to find a buyer, being bought in at £34,000, probably because it had been much restored. Dating from 1530 it is one of the earliest surviving miniatures. This apart the sale did well, with a miniature of Charles III, Duke of Lorraine, on target at £7,920.

Sotheby's experimental first sale in Dubai got off to a mixed start on Tuesday night, with a total of only £170,099, and 40 per cent of the 121 lots unsold: one unsold lot—a 9th century glass spoon, carried that sort of estimate on its own, as the real bought in total must be much higher. But there are still two more sessions to go.

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF
Telegrams: Finantime, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday December 5 1985

The Ten make a deal

THE MOST significant fact about the package of reforms hammered out in the early hours of yesterday morning at the European Community's Luxembourg summit is that a general agreement was reached, subject to reservations by Italy and Denmark. Many doubted whether it was either prudent or necessary to have launched this attempt to amend the Treaty of Rome: the agenda seemed too long, the time too short, and the differences between the member states too great. The fact that an agreement was finally reached in the short space between two European Summits, in part a tribute to the presidential skill of the Luxembourg summit, but may also testify to the seriousness with which most member states worked for agreement on the basis of compromise.

The reforms themselves are far from being revolutionary or radical, but they are inevitable given the wide divergence of national positions at the start. If they are finally ratified, they should make a moderate, but useful contribution to the better working of the Community, and in particular help to speed up the liberalisation of its internal market.

The issues on which majority voting will now be available in place of unanimity have been enlarged, but not very much. The weight of the European Parliament in policy-making has been slightly increased, but the last word will remain with the Council of Ministers. The coordination of foreign policy between the member states will be placed on a more formal footing than before. And a number of other areas (the European Monetary System, technology, the environment) will receive greater recognition as part of the Community's treaty competences, without necessarily changing very much the way they are currently being handled in practice.

For Britain the outcome is particularly welcome, but not because the results are so modest: Mrs Thatcher may have originally been opposed to any treaty modification, but it is clear that, in the negotiations in Luxembourg, she would have been prepared to go further down the road of majority voting than the final package. The central point is that, in

a constitutional debate which might have been expected to bring out her most ideological prejudices, the Prime Minister ensured that Britain would be centrally placed alongside France and Germany, and could not be made, yet again, the scapegoat for any kind of breakdown. Even Mr Jacques Delors, the Commission president, now admits that Britain is becoming more European.

Stumbling blocks

The reservations of the Danish and Italian Governments still remain important stumbling blocks. The Danes because the Folketing may reject the reforms as going too far, the Italians because they do not go far enough; if either parliament rejects the reform package, it will be rendered null and void in a legal sense. The greatest danger lies in Denmark: the Italians are deeply committed to the idea that much more power should be given to the European Parliament as a democratic compensation for more majority voting in the Council of Ministers, but it is hard to believe that they would rather have a reform rather than modest changes.

The one thing that is virtually certain is that this package cannot now be changed in any significant way. If it is thrown out by any single parliament, the member states will be forced to re-examine pragmatic ways of improving their decision-making without treaty changes. Such improvements would be better than nothing, but it would be a great pity if having come so far, the states failed to endorse their declared desire for a more dynamic Community with the political symbolism of parliamentary ratification.

In the end, what counts is the attitudes of the member states. Majority voting has long been available on many articles of the Rome Treaty; the facility has been underused because member-states were reluctant to invoke it and because, in practice, they acquiesced in the idea of stagnation. The slight modification of majority voting, as an option, will make little difference unless governments are more determined to make the Community work better. The proof of the pudding will be in the eating.

Bringing fraud to book

FRAUD has suddenly become a political issue. The cases under the spotlight are not particularly new—some of the Lloyd's scandals now date back more than 10 years. But the combination of continuing revelations at Lloyd's and the failure over Johnson Matthey Bankers has raised widespread public concern about business practices in the City of London.

One factor is that the underlying potential for large-scale financial swindles is increasing because of the growing complexity of business procedures, notably in the development of more obscure financial instruments and systems, and in the rapid expansion of cross-border transactions.

However, the immediate trigger for the current controversy is the obvious difficulty experienced by legal authorities in prosecuting fraud, let alone in obtaining convictions. It took two trials costing around £100,000 each for the Director of Public Prosecutions to convict Justin Frewin, a comparatively small-time operator in the commodities markets. Not surprisingly, the DPP is cautious about taking a number of much bigger fish to court.

Several measures have already been taken to improve the ability of the judicial system to combat fraud. Two years ago Lord Roskill was appointed to head a committee of inquiry into ways in which the conduct of fraud trials could be improved. The report of this inquiry is expected soon, perhaps next month. Last year the setting up of special fraud investigation groups within the DPP was approved, and a further expansion of resources in this area is being urged by the Solicitor-General.

Trial by jury

Undoubtedly extra resources are part of the solution, but it can hardly be expected that they will overcome the inherent disadvantages of the trial by jury system. The normal experience is that juries—from which the more numerate or business-conscious are removed by defending counsel—are overwhelmed by a mountain of confusing evidence. It seems unlikely that the Roskill committee will recommend substantial changes, though it might seek to improve the

admissibility of evidence, itself an important point when original documents are likely to have been long since shredded. Effective prosecution is, however, going to require more radical solutions. The characteristic of financial fraud is the ability of the perpetrator to create elaborate smokescreens to obscure and disguise an underlying theft. To combat this, it may be necessary to move in the direction of the legal principle already introduced through the famous *Furness v Dawson* tax evasion case, so that guilt can be established on the basis of the underlying intention behind a series of related transactions, rather than the legality or otherwise of any particular step in the chain. The legal principle is hotly opposed to any such change.

Jealous

Second, the roles of the existing, sometimes jealous, agencies will have to be rationalised. At present self-regulatory bodies like the Stock Exchange are complaining at the inactivity of the statutory authorities, amongst which the roles of the Department of Trade and Industry, the Fraud Squad and the DPP are not clearly enough defined.

Third, it has to be recognised that fraud is an international phenomenon; it will certainly be spread across several jurisdictions by any prudent fraudster. In the case of the alleged Lloyd's frauds, documents and personnel are scattered across two or three continents. The existing pattern of informal contacts between different national agencies, coupled with hazardous extradition proceedings, cannot be satisfactory.

The international dimension is particularly important for the UK, bearing in mind the policies now being pursued to encourage the development of the City of London as an increasingly major force in the international financial markets. If the prosecution of financial crime in Britain is perceived to be ineffective, London will come to be seen as a natural centre for fraud—more hospitable, certainly, than New York or Tokyo. Early success in securing prominent convictions is necessary if that image is to be avoided.

ABOUT two years ago, Mr William Simon, the former US Treasury Secretary, pulled off an extraordinary stroke of financial wheeler-dealing which turned management buyouts into one of the hottest topics on Wall Street.

As head of his private banking group, Mr Simon had masterminded the acquisition of Gibson Greetings, a greeting card company, by a team of its own managers only a year before.

After a series of swiftly executed transactions, which culminated in the flotation of the group on the New York Stock Exchange, Mr Simon's investment company emerged with a profit of at least \$70m—a profit with a remaining holding of about 50 per cent in Gibson.

From that point on, management buyouts—or leveraged buyouts (LBOs)—as they are more generally known—have taken Wall Street by storm. They have also inspired a fierce debate about the value to the US economy of this now widespread phenomenon. According to *Mergers and Acquisitions Data*, the number of deals jumped from 164 in 1982 to 229 last year and 250 in 1984. The value of the largest buyouts—some of the smaller ones are not tracked—shot up from \$3.5bn three years ago to \$18.6bn last year, and will almost certainly reach a similar total this year.

"When we started in 1973, there were only about five serious professional buyout groups," says Mr Merrill Halpern, chairman of Marthaus Group International, a largely UK-backed investment organisation. "Today there are 100 or more, and the capital employed in the business runs into billions."

This flood of finance has been attracted by the handsome returns for the buyout organisers. In a reasonably successful LBO, in which the takeover is funded by borrowing against the assets being purchased, all the providers of finance can expect to generate higher returns than they would normally find available elsewhere. A consequence, critics argue, of the tax breaks achieved by abnormally high depreciation charges and interest deductions.

About 30 per cent of the finance in a typical LBO deal will be in the form of primary bank debt at floating rates, carrying a first charge on assets, while another 30 per cent of subordinated debt will be in the form of "mezzanine" funding—will be at a fixed, premium rate. The equity level is frequently no more than 10 per cent, often

WHY DO managers spawned in the great corporate bureaucracies suddenly become more entrepreneurial when they shed their public shareholders' and live from a larger organisation?

One reason is motivation. In a well-tailored LBO, executives will be operating under a financial structure which makes risk and reward in a very direct way. They are totally committed to the enterprise.

On the downside, managers will have been forced to borrow heavily, and probably pledge most of their personal assets to buy their equity; on the upside, their ownership will hold out the potential of substantial capital gains.

To take just one example, ex-



ROHATYN

US LEVERAGED BUYOUTS

'They substitute debt for capital, the opposite of what our objective ought to be'

'Management attitudes make companies work, not the capital structure'

FELIX ROHATYN

MERRILL HALPERN



HALPERN

How Mr Simon opened the floodgates

By Terry Dodsworth in New York

BIGGEST BUYOUTS OF 1985

Date	Company	Price \$M	Status
Oct. 1985	Beatrice	6100.0	pending
Oct. 1985	Macy	4225.0	pending
April 1985	Storer Broadcasting	2510.0	completed
Oct. 1985	Revlon	1770.0	pending
July 1985	Union Texas Petroleum	1700.0	completed
Oct. 1985	Jack Eckerd	1600.0	pending
July 1985	Levi Strauss	1227.0	completed
Nov. 1985	National Gypsum	1100.0	pending
May 1985	Uniroyal	1023.0	completed
Jan. 1985	Denny's	908.0	completed
Oct. 1985	Household's	690.0	pending
Jan. 1985	Merchandising Unit	690.0	completed
Oct. 1985	Red Lion Inns	408.3	pending
May 1985	Warnaco	380.0	pending
Sept. 1985	Mary Kay	255.4	pending
Nov. 1985	Sybra	251.0	pending
June 1985	Alamo	240.0	approved
Nov. 1985	Papercraft	135.0	approved
July 1985	Swift Independent	125.0	completed
Nov. 1985	Olivia's Ecstasy Unit	100.0	pending
Nov. 1985	Essex	100.0	pending
Oct. 1985	Datapoint	100.0	pending
Oct. 1985	Amer. Hosp. Supply's	n/a	pending
	Racometic	n/a	pending

Compiled by Rivka Nachman

LBO financiers, some parts of the Wall Street financial establishment still look with great suspicion on the kind of deals KKR and its imitators pursue. They point in dismay to the minute size of the financing companies against the corporations they are stalking, and even more pertinently, to the unwieldy preponderance of debt

in the balance sheet of the companies which are bought out. In a celebrated philippic on this subject, Mr Felix Rohatyn, a senior partner at Lazard Freres and one of the most respected Wall Street bankers, argued that the LBO technique had two dangerous consequences, both highly speculative. "First, it bets the com-

REASONS WHY MANAGERS CHANGE THEIR SPOTS

executives at Harris Graphics, who bought their shares for \$1 when the company was acquired three years ago, are now sitting on a paper profit of around \$16 following the successful refutation of the enterprise.

Second, managers argue that LBOs give them the opportunity to settle down with understanding shareholders and work out longer-term plans without having to worry about short-term performance. Because the shareholders are also lenders, and are limited to a handful of financiers and institutions, they tend to be more sophisticated and knowledgeable.

"You don't have to spend so much time on the fundamentals," says Mr Philip O'Reilly, chief executive of Houston, a machine tool and engineering company which went private in 1978.

Third, some executives feel they become more committed to managing the balance sheet rather than the profit and loss account.

"But it certainly makes managers much better at controlling cash."

The emphasis on cash management is echoed throughout the buyout sector. Indeed, in the early years of an LBO, the virtually overwhelming need to operate so that interest and debt payments can be covered, means that bottom line profits become an entirely secondary concern. "You do things for tax reasons which make the profit and loss account look sick," says Mr O'Reilly.

Fourth, managers feel they have more freedom of action in an LBO company than in a

public group or in a division of a large corporation.

"It is much easier to buy and sell companies than when you are a public group having to make announcements to shareholders," says Mr O'Reilly. "Announcements often encourage rival offers, whereas a private company can get things done more quietly. Houdaille has unquestionably used its new-found freedom as a private company, selling several divisions, and buying two new businesses."

Many LBO managers are showing so much enthusiasm for their new-found freedom

that they are unwilling to give it up and float themselves as public companies, one of the ways of realising capital gains. "The only reason for wanting to be in the public market is that it provides a method of establishing value in an arm's length transaction," says Mr Dennis Sheehan, chief executive of Axia, a diversified electrical tools and instrumentation group, which was bought out two years ago. "In the absence of that, I see no reason to go public."

A feature on the buyout of Houston-based Vista Chemical from its parent Conoco, will appear on the Management Page shortly.

Plessey mans the barricades

A solid, forceful, and somewhat irascible character, Sir John Clark, aged 59, has been the dominant figure in Plessey for the past 23 years.

The GEC bid approach will stir some old memories for him. It was in August 1968 that as plain Mr Clark he strode into the Aldwych offices of English Electric and dropped an unsolicited bid on to the table before Lord Nelson.

In spite of advice from merchant bankers S. G. Warburg (who now advises GEC) Plessey lost out in that fight. At the time, Clark and his team who went on to build Britain's biggest electrical and electronics group.

Since then the rivalry between the two companies has continued, with executives from each side making many unprintable comments about the other's performance. The signs are that Clark has been giving special attention throughout this year to strengthening his Millbank Tower HQ against predators.

In addition to his top table of deputy chief executives he has been giving priority to management development and succession by recruiting a "B" team of men in their mid-40s.

As a result the Plessey management team looks a more credible force than it would have appeared a year ago. Alan Jones, aged 45, who ran Plessey Radar, was given a main board seat in March. Sir James Blyth, also 45, and a new director, used to be head of defence sales at the Ministry of Defence. He is the new head of the electronic systems business. Vivian Butler, aged 52, another new board member, has been put at the sharp end of the business running the engineering and components division. David Day, aged 47, has just arrived from IBM to be managing director of telecommunications.

Clark was thrust into the top management of Plessey while still in his thirties after the

Men and Matters



"Look, we've had this argument before—what you mean by free banking is not what I mean"

death of his famous father, Sir Allen Clark, who had created the company from small beginnings in the 1920s.

Both John and his brother Michael, aged 58, who is deputy chairman and deputy chief executive, and chairman of Plessey Electronics, were brought up under the iron rule of their father.

As John Clark told this column back in 1964: "Right from the moment I went to Harrow it was discipline, discipline, discipline. I sometimes think that discipline is all I can remember about my boyhood."

Although the Clarks have only a small shareholding in the business there is a dynamic air about Plessey which some executives have found irksome. While there is a high degree of decentralisation to the operating subsidiaries there is no

doubt where the key decisions are made.

In a paternalistic environment the turnover of senior executives has been so high at times as to attract criticism from outside company-watchers. One disgruntled executive who resigned after a short stay told the brothers "You run this place like a family pork butchers' shop."

Nevertheless, John Clark's present "A" team of deputy chief executives is a useful one. "The five wise men" one company executive calls them. They are a blend of old-timers and relative newcomers. Michael Clark's electronic systems division represents one-third of turnover. Frank Chorley, aged 59, who is chairman of the telecommunications business accounting for 49 per cent of turnover, is an engineer, a former GEC man who has been with Plessey 12 years.

Peter Marshall, aged 58, director of finance, has been with the group only seven years. He came from Norcross. Marshall is a lively and astute financial man who is believed to have been head-hunted for a variety of top jobs in both the public and private sectors. He has stayed loyal to Plessey.

Bill Dalziel, now 68, and a life-long Plessey man, is said by his friends to be one of Britain's outstanding manufacturing managers. They compare him with Allen Clark, the Plessey founder.

The group's US business is run by Warren Sinsheimer, aged 58, also a deputy chief executive, a New Yorker who has been with the company for more than 30 years.

Given the company's style and the family history it would be surprising if John Clark simply surrendered his sword to Weinstock. Siege preparations appeared to be the order of the

Best boss

While Lord Weinstock still has an admiring audience for his management skills among Britain's company directors he has had to yield pride of place to the more redoubtable John Harvey-Jones, chairman of ICI.

MORI has just completed its annual Captains of Industry survey round the board rooms. According to 36 per cent of those polled, Harvey-Jones is the most impressive industrialist in Britain at the moment. Weinstock is second with 17 per cent of the poll. Sir Owen Green of BTR is third with 15 per cent.

On the march

If there is a rift in the lute between church and state, there is a new accord between church and organised labour since the publication—and rubbishing—of the former's report on inner cities.

Norman Willis, the TUC general secretary, who has himself the aspect of a genial Chaucerian friar, came in to the monthly meeting of the National Economic Development Council yesterday singing "Onward Christian Soldiers."

He followed that up, in his remarks to the august (and ghastly?) council by adapting the remarks quoted in the report as being made by a priest who said he was far too busy to have a strategy. After this unappreciated question, he had another one: would it not be, he suggested sweetly, a good idea to invite a bishop or two to sit on the Council? No-one, as they say, took the suggestion up.

Observer

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THE TIME for strategic thinking about British economic policy is now, before the New Year. When budgetary strategy is formulated early in 1986, options will be narrowed and it will be too late for new thinking.

The interesting questions at present are not so much about how fast nominal demand growth should be next year, but what the mix should be between fiscal and monetary policy.

Or in more down-to-earth terms, should the Chancellor put the stress on tax cuts, and keep interest rates fairly high; or should he yield to industry's demands for lower interest rates, even if this means little or nothing for the taxpayer?

To discuss this effectively, we have to open up the even more interesting question of the exchange rate, which should prevail in the UK.

The policy alternatives are normally presented in the following way:

(a) Tax cuts, which may or may not have incentive effects, but which will boost domestic spending.

(b) Interest rate reductions leading to a "more competitive" (ie lower) pound, which might boost net exports and investment.

There is, of course, a chance of some event, like a collapse of the oil price, putting pressure on sterling, which will rule out either alternative.

The other kind of event which would threaten the possibility of either tax or interest rate cuts would be if the image-makers around No 10 made so much fuss about this being a "carping," compassionate, high-sounding government, that the financial markets lost all confidence in the Government's ability to spend limits.

Assuming that handbrakes can be avoided, what should the emphasis of policy be? My own view is that the Government should aim to create conditions in which it can pursue a third option, in addition to those listed above:

(c) Lower interest rates, if and only if they can be achieved without putting downward pressure on sterling.

There is, of course, a relationship between interest rates and exchange rates.

Thus, the option of lower UK interest rates, without a lower pound, does not exist at present—beyond perhaps another 1 per cent cut in base rates. To create this option will require a change in the climate of expectations in the foreign exchange market, and thus in the UK policy framework.

Why, however, are interest rate cuts more important than tax cuts?

The true argument is not against tax cuts, but against a loosening of fiscal policy. Last

Economic Viewpoint

An EMS strategy for the UK

Samuel Brittain looks at the options facing the Government in the run-up to the Budget

week I explained both the difficulties of financing the budget deficit, in view of all the difficulties raised by asset sales, capital spending, inflation and cyclical corrections, fluctuating oil revenues and so on.

What is much easier to do is to assess the effects of a change in fiscal policy. A higher budget deficit means more consumption and lower investment in the long run. It means these things even in the short run if fiscal relaxation is offset by high interest rates.

Would more investment bring more jobs? If investment takes a purely capital-deepening form—ie substituting capital for workers—then clearly it is more likely to destroy jobs. On the other hand, if it takes a capital-widening form, increasing the effective output capacity of the economy, then it can actually promote growth and employment.

There is an additional factor of key importance to the UK and other countries. In an open economy, a major part of any increase in investment made possible by a low budget deficit, or any other improvement in national savings, is likely to take the form of overseas investment, which has its counterpart in a more favourable current balance of payments.

One does not have to be excessively puritanical to be worried by the heavy reliance on consumer spending, which

is expected to grow faster than GDP. In the official UK growth forecast for next year. Nor to be worried by the official forecast of a 4 per cent rise in import volume, compared with a 2 per cent rise in export volume.

These are trends which, if continued, will surely lead to a current deficit, entirely inappropriate to a country still enjoying a temporary bonanza from North Sea oil. The due to the current balance of payments, whether in the US or the UK, is not the nominal exchange rate, but the savings-investment balance, of which the budget deficit is a major component.

A tight fiscal policy does not mean forgoing all tax cuts forever. It means accepting that their realisation depends on the Government's success in restraining public spending over a period of years. In the year ahead it will mean recognising that falling commodity prices—and falling oil prices if the oil price falls—will mean real take home pay as tax cuts.

But having said that, a combination of a strict fiscal policy and lower interest rates only bears contemplation if this can be achieved without putting sterling at risk. Sterling depreciation would have a doubly bad effect on inflation—both immediately through the impact on import-related prices and profits, and a more insidious

second round effect in weakening resistance to wage pressures.

The one context in which I can see interest rates coming down far without weakening sterling is UK association with the EMS.

The case is strong enough without being overstated. It is sometimes said that if sterling were in the EMS, the natural point of reference for interest rates would be German interest rates, now running at 5 per cent short-term and 8½ per cent long-term, compared with 11½ per cent and 10½ per cent respectively in the UK.

This, however, is going too far. For it assumes that in all subsequent EMS realignments sterling would follow the D-Mark. This would have to be proved by subsequent events and would require a major fall in UK inflationary expectations.

A more natural assumption is that the movement of sterling would be intermediate between that of the mark, whose central rate has risen by 26.7 per cent since the inception of the EMS in 1979, and the French franc, whose central rate has fallen by a cumulative 9.1 per cent.

If British interest rates were intermediate between French and German ones, short-term rates would fall to about 7 per cent and long-term rates to about 8½ to 9 per cent. Even if British interest rates were no lower than French ones, short-

term rates would be down to 10 per cent.

Even these more moderate adjustments would not occur overnight. The markets would need evidence that sterling could keep its Ecu rate without too many downward realignments.

But nothing has done more to convince me of the case for the EMS than the Commons Treasury Committee's rejection of the idea. Although this committee has provided a valuable forum and extracted evidence of Whitehall thinking, otherwise unobtainable, its own bias has always been in an inflationist direction.

There is no need, however, to take a plunge in the dark straight away. UK membership could be approached in a series of stages, which would not at first involve any of the political implications which so worry the Prime Minister.

At one time some City commentators believed that the Government was unofficially shadowing the EMS in its exchange rate policy. The first stage might, therefore, be to start doing just that.

To gain any of the psychological and credibility benefits, the Government would eventually have to speak as well as act. It would have to announce that it aimed to maintain sterling not too far from its present rate of 0.59 pounds to the Ecu—or as a bone to the CBI—rounding up (ie slightly depreciating) to 0.6.

To begin with, no indication of the margin around this rate need be given; and the Government could in practice start with the wide Italian band of 6 per cent on either side. As experience and confidence are gained, it could announce that it was operating within the normal 2½ per cent limits.

The advantage of this approach is that there would be no irrevocable commitment. The UK Government would be able to see whether the influence of the oil factor on sterling was declining rapidly, as many witnesses before the Treasury Committee maintained.

At first, only very modest reductions in interest rates would be possible. But as confidence that Britain would actually keep within its Ecu margins grew, so the divergence between its interest rates and the average of the main EMS members would lessen.

Neither EMS membership nor a purely domestic Medium Term Strategy can do more than erect obstacles to irresponsible financial behaviour. But with the domestic monetary numbers so muddled in their interpretation, and with electoral pressures building up, the EMS link will provide the more convincing constraint.

Yet, for those who remain to be won over, there is everything to be said for moving in stages, the first of which could be undertaken by finance ministers as part of the normal process of economic policy and without any dramatic political decisions.

Lombard A Marxist plot unmasked

By John Lloyd

A GOVERNMENT minister last night described as "Communist fifth" the cover of a forthcoming Institute of Directors report of an inquiry into manufacturing industry entitled "Could we possibly do a little better?"

The minister said the title "betrayed its Marxist envy of other nations and the quite explicit extreme left-wing desire to impose equality on everybody through the lash and the jackboot."

He said he had not read the report and did not intend to, but that "a glance at the title page was quite enough for me, thank you very much."

A copy of the report, to be published soon, is in the hands of the Financial Times. It lashes out savagely at the Government for "perhaps on occasion being a little harsh on some of the less efficient of our industries in pursuit of the wholly laudable aim of competitiveness and higher profitability."

A senior Cabinet minister, to whom this passage was read, commented that "The Institute of Directors has been hopelessly infiltrated by Trotskyists mouthing this kind of garbage. It is rank socialism, a thinly disguised ambition to subsidise a plethora of dying industries in order to suborn their employees and turn them into a private army of red thugs."

A further passage in the report says that the level of unemployment "while assisting greatly in the encouragement of flexibility, the ending of restrictive practices, the freeing of the labour market, the widening of differentials, the weakening of organised labour, the stamping out of terrorism and the preservation of democracy, might still be open to some objections from a tiny minority of malcontents on the grounds that they don't like it."

The Financial Times understands that this passage has been sent to the Director of Public Prosecutions with a view to a prosecution on grounds of treason. Sir John Hoskyns, Director General of the IOD, is now the object of the most intense scrutiny by the security services—the more so since, as a former Prime Ministerial adviser, he may have secrets to sell.

A close aide of Sir John's, who has gone underground since the leaking of the report, said in a telephone interview last night that "this report has been wholly misunderstood. Actually it's fiercely critical of management and directors for not being pro-capitalist enough. 'We do admit that one or two of the phrases may have been inserted by a member of the inquiry team who once enquired after membership of the Employment Institute; in retrospect, we accept that his inclusion into the team unbalanced it and made it less than objective.'"

This, however, is unlikely to satisfy government critics. Sources close to the Prime Minister last night said she was "deeply disturbed by the leftward drift in the employing classes" and feared that "the rot has gone too deep to be easily eradicated."

"How many divisions does Hoskyns have?" snarled the sources. "Basically the PM is not interested in the outmoded Stalinism peddled by the bosses of corporations who have been failing this country for so long, probably deliberately. Frankly, they should go back to sleep in their armchairs in the Athenaeum behind their copies of the Morning Star, and everybody would be much happier. Don't quote me, but we understand from intelligence reports that many of them are regular attenders at church services: need I say more?"

There were signs of disagreement in the Cabinet, however, when Mr Peter Walker, the Energy Secretary, gave a highly coded speech to the Bolsover Branch of the Tory Reform Group last night. In a highly coded passage added after the written text was released, he said that "SYMPLIFY CYDNN VFSAQVPLX FRDS NN PCDETR." This is further than Mr Walker has gone for some time, and reveals that tension between the wets and dries lies just below the surface. It is probably not enough, to force Mrs Thatcher to move against him—unless he repeats the remark in a more high profile context.

Mr Norman Tebbit, the Conservative Party chairman, also took a more conciliatory line than his unnamed colleagues, in a speech in his constituency last night. He told a meeting of the Chingford Combined Working Men's Clubs that "there's nothing wrong with our British directors that a spell in the electricians' union wouldn't straighten out."

Industry does not attract

From Mr J. Griffith

Sir,—It is disconcerting to read your Industrial Editor's comment, rightly given bold-face type, on the front page of November 30.

One powerful deterrent to able young graduates contemplating a career in industry was put to me by a recent pupil with forceful clarity. His firm personality and high intellectual quality indicates that he would have done at least as well as other successful arts graduates have in the past. As it is he is, like many other classicists with old-fashioned linguistic skill, flourishing as a computer programmer. In discussing careers at the end of a tutorial, he said, in effect:

"I see no joy in spending my working life in industry swimming as it were in a bath of glue. Too many family friends who have been in it for some time complain that their good ideas are shot down or shelved by pompous administrators or dogmatic accountants who have never been within miles of a work-bench and are anxious only to preserve their cushy existence under the stars and stripes of their university."

Most of their remaining energies are absorbed in an unending struggle with disgruntled representatives of the workers who confuse negotiation with conflict and who in the amount of publicity they can attract, locally or nationally, by their querulousness or bluster. It may be that a labourer's life is a hard one, but I dare say that the converse is true too, but so long as I can do a socially useful job elsewhere, industry, anywhere in its present state in this country, won't get me."

Ex ore adolescentis. I am not as a rule at a loss for a reply to any undergraduate, however ingenious or combative, but this silenced me.

John G. Griffith,
Jesus College,
Oxford.

Vital sectors pay too little

From Mr A. Harris

Sir,—There is surely a third "camp" in the field of bankers' pay other than the two described in Michael Dixon's "horrid nest" (November 28).

There are those of us who feel that the City banks are inappropriate. It is the pay in the other vital sectors of the economy that is too low.

I have recently been directing a college employers' link project sponsored by the Department of Education and Science. And the view I have expressed above derives in part from that study. The style and intensity of selection for employment in the financial sector, the starting salaries and rewards, in my

Letters to the Editor

view, explain at least in part, its strength.

One of the key industries where the rates of remuneration are too low is engineering. The contrasts are significant. Engineering graduates from the universities still tend to have an inadequate exposure to and appreciation of the industries in which they hope to make their careers. And so their employers have to provide them with engineering training and appreciation training. Hence there is an initial lack of productivity and hence low remuneration. And the pattern once set, persists.

This vital industry further neglects its life blood, its recruits. Sponsorship for engineering students, vacation work opportunities—for undergraduates, compared to other sectors—is poor.

It is surprising therefore that universities and polytechnics are reporting that not all the places on offer for engineering studies are taken up? Or that the Engineering Industry Training Board reported that the shortage of trained manpower is now such that the industry's growth is threatened? This repeated threat to the productive manufacturing sector of the economy can be averted. It is in the hands of industry itself.

Ansel Harris,
33 Ferncroft Avenue NW3.

Perpetual evolution

From Mr G. Davis

Sir,—Perhaps you will give one of the associate producers of *A Week in Politics*—one of the footsolders, if you like, of Channel Four's current affairs coverage—the opportunity to correct two popular misconceptions to which Godfrey Hodgson gives currency in his third birthday survey (November 30) of the Channel.

The first misconception is that there is some inherent distinction between the "commitment to innovation" and the need, particularly (but by no means solely) for current affairs programmes, to have some measure of permanence. In reality, of course, most TV programmes follow a cycle of inevitable learning curve. They exist in a state of perpetual evolution, with innovation often becoming possible precisely because longevity permits development.

In the case of *A Week in Politics*, innovation has embraced both matters technical and matters of content. In the

week of the Handsworth riot, for example, Peter Jay chaired a studio discussion between three politicians, a social worker and a leading trade unionist, which was authoritative not only because the programme had gradually built a reputation for intelligent discussion, but also because the visiting participants were black. There is more than one way to fulfil C4's obligation to bring new voices to the television screen.

The second misconception is that TV programmes, particularly C4 programmes, are made by people called "producers." Programmes are made by teams of people, with the executive producer naturally the most public. In the case of *A Week in Politics*, a team of about 20 includes some who have come to TV as specialists from elsewhere, some who have come to C4 from the BBC or ITV companies, all of whom contribute with a high level of skill.

The biggest question mark over the future of C4's factual programming is whether the Charlotte Street mandarins are not being just a little complacent when they assume that there will be a continuing stream of talent prepared to walk away from career structures elsewhere to enjoy the manifest uncertainties of Mr Isaac's permanent revolution.

Glen Davis,
Brook Productions,
2, Newburgh Street, W1.

Joining the EMS

From Mr D. MacShane

Sir,—I was amazed to see the treasury of the Labour Economic Policy Group argue that "the policies we need are those of the 1930s" (November 28). Does he also want the mass unemployment, repeated Conservative landslides and the drift to war of that decade? Of course not but the economic habit of arguing through his formula irrespective of the wider political or social framework is well illustrated in his letter.

If Britain was the most "successful industrial country in the world" 50 years ago might that have been because Japan and Germany were geared to military production. France was still agriculturally based, the US confined its economic activity within its large borders and there was still an empire to buy whatever Britain produced?

Now, although we have bankers, according to another report in this issue, earning

£100,000 plus a year I can walk most of the High Streets of Europe and apart from Burberrys and Black Label not find a British product to buy.

France has been a member of the EMS since its inception and had as many devaluations as it liked during Mr Mitterrand's troubled reign. So too is Germany where inflation, unemployment, working time are all down while exports and wages are holding up.

Will staying in or out of the EMS help us produce better, sellable goods and spend less resources on training the crumpies for world financial roulette? I suspect it will make little difference either way. Devaluation and managed trade may well be necessary to put Britain right but it will be a reordering of internal economic priorities and doing away with the economic inhibiting manufacturing performance that are really required. In the meantime, Labour spokesmen having turned from moaning about the 1930s to invoking that decade might stop doing both and start looking and turning all of our eyes to the future.

Denis MacShane,
2 route de Loze,
1213 Geneva, Switzerland

Myopic fund managers

From Mr N. Moore

Sir,—Not a few pension fund investment managers will have allowed themselves a wry smile at the opening paragraphs of Clive Wolman's "Inhibiting manufacturing performance" column on November 29. Mr David Walker of the Bank of England, we understand, claims that institutional investors "force company managers to concentrate on short-term performance instead of developing long-term strategies."

It is a two-edged argument. Mr Walker might like to reflect on the reasons that institutional investors take an increasingly short-term view which may not be altogether unrelated to the practice of those hard-pressed company managers who call for annual or even quarterly performance data from their pension fund managers.

Sauce for the goose....? N. McC Moore,
Cavapen Investments,
60-61, Trafalgar Square, WC2.

Files on voters

From Dr G. Richards

Sir,—I wonder whether all the local political parties using computers in election campaigns (November 30) will have to register under the Data Protection Act so that we shall have access to whatever information the politicians may have recorded by computer on us? (Dr) Gwilym J. Richards,
85 Oldfield Road,
Altrincham, Cheshire

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RED FACES OVER POLISH LEADER'S MEETING WITH MITTERRAND

Fabius defends Jaruzelski talks

BY PAUL BETTS IN PARIS

MR LAURENT FABIUS, the French Prime Minister, yesterday defended President François Mitterrand's meeting with General Wojciech Jaruzelski, the Polish leader, at the Elysee Palace.

The meeting has caused a big political controversy in France, and has been fiercely opposed by leading French trade unions, with the exception of the pro-Communist CGT labour confederation, and by the right-wing opposition parties and by human rights groups. It has also embarrassed the ruling Socialist Party.

Mr Fabius echoed this embarrassment when he acknowledged in the National Assembly that he had been "personally troubled" by the surprise meeting, which was held at Gen Jaruzelski's request.

The Polish leader was clearly pleased with his diplomatic coup.

After talks with President Mitterrand lasting 80 minutes, Gen Jaruzelski made a point of addressing journalists to say that the meeting was "very fruitful" and also "very profitable to help develop a détente between the two countries."

Gen Jaruzelski followed his meeting with a boat tour on the Seine, although one *bateau mouche* company refused to let him board one of its boats.

President Mitterrand and the French Government as a whole sought to play down the visit as much as possible. The Government was clearly taken aback by the scale of the protests against the visit, the first time the Polish leader had been received by a leading Western head of state.

The French Senate suspended its session yesterday morning in protest against the meeting. About

1,000 trade union members, including leaders of the pro-Socialist CFDT union, leading figures from the arts, among them the singer and actor Yves Montand, held a protest demonstration outside the Polish embassy.

The French branch of the Solidarity union sent President Mitterrand a pair of black paper spectacles, a copy of those worn by the Polish leader, with a note saying they might prove useful should he decide to meet General Augusto Pinochet of Chile.

President Mitterrand told a Cabinet meeting yesterday, before he left for Martinique and Guadeloupe, that he believed it was normal for there to be relations between two countries like Poland and France and their leaders. In parliament, Mr Fabius said President Mitterrand had made a point of criticising

severely the Polish regime's record on human rights and freedoms.

Mr Fabius added that the meeting in no way implied France's approval of the policies and attitudes of the Polish Government.

Gen Jaruzelski said after the meeting that the talks had given an opportunity for "better understanding" between the two countries and to eliminate "certain misunderstandings." He added that the most important aspect of the meeting was that it had actually taken place.

French public opinion and the main political commentators were at a loss to explain why President Mitterrand had agreed to see Gen Jaruzelski. They felt that the President had virtually everything to lose, while the Polish leader had everything to gain from the controversial meeting.

UK interest rates 'can fall if pay rises are curbed'

By John Lloyd in London

MR NIGEL LAWSON, the British Chancellor of the Exchequer, yesterday held out an implicit bargain to industry: if pay rises can come down, rates can also come down.

Mr Lawson told the monthly meeting of the National Economic Development Council that the Government had no direct control over wage increases but that its first duty was to keep down inflation. If pay rises went up, he would have to ensure that they did not feed through to rises in the inflation rate.

He said: "If management succeeds in moderating the pace of wage rises, then the prospects for lower interest rates will be much improved - and so will be the prospects for employment."

His response disappointed the Confederation of British Industry, the employers' organisation, which is looking for a cut in interest rates immediately. Sir James Clesington, the CBI president, said that real interest rates could be as high as 7.5 per cent when inflation fell next year to under 4 per cent. He said the rates must come down with inflation.

Sir Timothy Bevan, chairman of Barclays Bank, said that bankers did not necessarily like high interest rates - they preferred prosperous customers. He said, however, that he supported the Chancellor's aim of keeping down inflation and that he would like to see interest rates come down slowly and steadily.

The outcome of the discussion appears to be that the CBI has accepted that it is on its mettle to get down wage rises - a task many see as a daunting one. In view of the already high and rising wage settlements conceded in a number of sectors and some evidence of rising wage militancy. However, it will continue to press its case for lower rates, especially during its budget submission to the Chancellor.

Dr James MacFarlane, director general of the Engineering Employers' Federation, took the Chancellor's aim to task during the council meeting for not consulting industry on the measure announced in the autumn statement for changing the provision of redundancy payments - estimated to cost industry some £250m (£372m) a year.

Dr MacFarlane said that there had been no reason not to consult industry on this measure, since they were directly affected by it and it had been planned well in advance.

Sir Robert Haslam, chairman of the British Steel Corporation and chairman-elect of the National Coal Board, said that the main aim of exchange rate policy was to get the pound "at the right level" against the DM. He said that he had seen no appreciable change in protection in the US market since the Group of Five meeting of finance ministers last month.

Mr David Bassett, general secretary of the General Municipal and Boilermakers Union, said that the CBI and the Trades Union Congress should jointly seek to regulate overtime and working hours.

Economic Viewpoint, Page 15

Britain set to confirm Unesco withdrawal

By Peter Riddell in London

BRITAIN'S withdrawal from Unesco at the end of this month is expected to be confirmed today unless there is an unexpected change of mind by Mrs Margaret Thatcher, the Prime Minister, and her Cabinet colleagues.

The signs at Westminster last night were that the overseas and defence committee of the Cabinet, to be chaired by Mrs Thatcher, would ratify the statutory 12-month notice of withdrawal made in December last year. The US has already left the 180-member United Nations Educational, Scientific and Cultural Organisation.

It is thought that Mrs Thatcher has not been persuaded that the changes in the organisation in the past year have been sufficient to satisfy Britain's desire for reform.

The decision may not be formally announced until early next week because of ministers' other commitments.

Britain has been urged to reconsider its decision to withdraw by a number of leading Western nations, by Commonwealth countries and by the cross-party foreign affairs committee of the House of Commons.

A small but vocal group of Conservative MPs have also argued that Britain should remain in Unesco, though the majority backed withdrawal.

Abe's appeal, Page 4

THE LEX COLUMN

Spreading the mat for Wellcome

Valuing the Wellcome Foundation always looked a devilish business, and it has been made no easier by the group's vaudeville results as the largest profit-earner in private hands. Pre-tax profits were up 37 per cent to £121.7m, but second-half progress was a mere shadow of the 65 per cent gain in the six months to February. This was inevitable because of the drift in the dollar that denominated as much as 80 per cent of Wellcome's profits, as well as the extra costs of amalgamating the veterinary business. But with a currency loss already locked in for this year and unrelieved ACT on dividend payments, the market will need to apply a multiple of earnings of Glaxo levels to capitalise Wellcome substantially over £1bn.

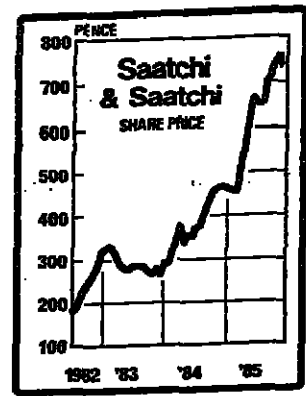
Of course, there is bound to be stock-market respect for such a distinguished, research-based company - and not simply as a home for Beecham funk money. Yet the mainstay of Wellcome's profits remains the Beecham-like antibiotics of the late 1960s, which are fully mature, and the products of a decade later, such as Zovirax, will never stand comparison with Glaxo's Zantac.

In fact, Wellcome's operating margins are about the same now as those of Glaxo six years ago; but this does not mean that some super-drug from fundamental research will actually appear at Wellcome. Improvements are more likely to come from lower costs: after all, R and D expenditure equal to pre-tax profit is not exactly typical of publicly held drugs companies.

Nor should Wellcome be rated simply on the sophistication of its research into anti-viral products and biotechnology. The excitement surrounding Wellcome's Aids preparation says more about the tragedy of the disease than the realistic prospects of a drug at a very early stage of testing. In fact, Wellcome has been coming to the market during a period of consolidation, even if underlying earnings growth should be of the order of the 15 per cent - which suggests a rating between Beecham and Glaxo.

Saatchi & Saatchi

The world's favourite advertising agency is going to put the message across. Yesterday Saatchi & Saatchi produced results for the year to September well up to everyone's expectations and the share



price dropped 20p to 735p. The figures were accompanied by a characteristically upbeat statement about management and prospects, so Saatchi could be forgiven for wondering exactly what it had done wrong.

The shares are currently trading on a historic multiple of only 16 times, which is not much of a premium to the market as a whole and looks simply pedestrian beside the glamour stocks of the advertising sector. The fall from grace is not easy to explain. Yesterday's figures - which showed earnings per share up by 59 per cent - rather give the lie to the notion that Saatchi has run out of growth.

Perhaps it is simply growing too fast. Saatchi's decision to spread itself across the full spectrum of business services has resulted in a bewildering number of acquisitions, many of them financed with paper on cash terms which include deferred payment. Yet the profits growth in the established advertising business - 40 per cent in the last year - and the margin improvement in the acquired companies suggest that Saatchi's management has not been unduly extended by the pace of change. Nor is the company under any financial pressure. Net tangible assets amount to £74m and there is cash of £18m available for deployment. Perhaps, having failed in London, Saatchi will have better luck on Wall Street, with which it will be communicating by satellite later today.

BOC

Unlike Saatchi & Saatchi, which rarely leaves anything to chance, a very active approach to the management of foreign currency risk, as much as anything, is sure to influence the outcome of any bid that GEC or Plessey may actually take.

emerged as the star of the 1984-85 results. By taking out forward cover against anticipated US dollar cash flow at a rate of \$1.16, BOC saved itself around £15m in potential foreign exchange losses.

The current year could see a saving of similar magnitude as the group managed early this year to sell dollars forward at the advantageous rate of \$1.09 for delivery in September 1986. But, in the City's eyes, BOC sometimes looks just a touch too sophisticated in matters of accounting and treasury management.

Yesterday, for example, analysts were busily working out what might happen to foreign currency receivables in 1986-87 and how it was that the supplementary depreciation charge had dropped in the final quarter. All of which rather detracted from an excellent performance in the underlying businesses. Carbon and graphite are still losing money - and will only make a decent return on rather fancy exchange rate assumptions - but the health care division has recovered its poise and industrial gains are rewarding BOC's prodigious commitments of capital.

System X

All the signs were that GEC really meant what it said about the merits of acquiring Plessey. Plainly, for GEC shareholders, the least favourable position is to own half the System X capacity, all or none must be better. There must be some question, however, whether the arguments hold with quite so much force for Plessey.

Whereas GEC has all but sufficient cash in hand to finance the purchase of Plessey without recourse to the markets, it is plain that for Plessey to buy GEC's interest in System X would stretch the balance sheet at an awkward time. Even with a share price smartly revived by the attentions of GEC, Plessey might find the institutions less than receptive to an issue of equity to finance such a deal. Moreover, for Plessey to become the sole System X contractor would increase - much more markedly than would be the case for GEC - the concentration of its customer base, a large egg for a single basket. The market's judgment of these risks, as much as anything, is sure to influence the outcome of any bid that GEC or Plessey may actually take.

Paris considers alternative to CGE alliance with AT&T

BY PAUL BETTS IN PARIS

THE FRENCH Government is considering a European alternative to the proposed alliance between Compagnie Générale d'Electricité (CGE) and American Telephone and Telegraph (AT&T) to provide the French telecommunications authority with a second supplier of public telephone switches.

The move, which would open the French public telephone switch market to a foreign supplier, is also designed to help rescue Compagnie Générale de Constructions Téléphoniques (CGCT), the troubled TTT subsidiary that was nationalised by the Socialist Government in 1982.

The European alternative to the CGE-AT&T deal would involve Ericsson of Sweden as well as French companies including Matra, the state-controlled electronics and defence group; Jeumont-Schneider, the engineering and telecommunications subsidiary of the private Compagnie Schneider industrielle conglomerate; and Bull, the nationalised computer group.

CGCT was asked by the Government to negotiate a series of industrial alliances with European and French groups this autumn after the Socialist administration became less enthusiastic about the CGE-AT&T deal. The proposed alliance between the nationalised CGE

US efforts to speed up deregulation and liberalisation of telecommunications in Western Europe are likely to come under attack from the European Commission in Brussels today. Commission and US officials are holding a regular, scheduled meeting on telecommunications, but the Europeans have been angered by what they see as US interference in individual EEC member countries. Page 6

group and AT&T would also associate AT&T with CGCT in the production of public telephone switches for the French and export markets and would link CGCT with Philips, AT&T's European partner, in the business and private telecommunications sector.

CGCT controls 10 per cent of the French public switch market. In return for gaining access to that share of the public market, AT&T agreed to help CGE to market its D-10 digital switch on the US market as well as setting up a joint venture in the microwave field, to include Philips as well, and led by CGE.

Although the French Government last summer originally asked CGCT to negotiate with AT&T, it

has become increasingly worried by the political and industrial implications of allowing AT&T into the French public switch market. It has also sought to postpone taking the decision on whether to give AT&T the green light or allow CGCT to finalise negotiations with alternative European partners.

The Government is now coming under increasing pressure to decide on the issue. AT&T and CGE originally set themselves a deadline of November 30, to complete their negotiations and have been pressing for a decision. CGCT also wants a clear signal from the Government because it claims its survival and future development hinge on its ability to ally itself with other industrial partners.

CGCT says it is ready to collaborate with either AT&T or Philips or with other European and French partners. But the company argues that it can no longer wait. CGCT expects to lose FFr 250m (\$32.4m) this year after losing FFr 1bn on sales of FFr 2.7bn last year. Although the company's operations have been recovering this year, the Government's hesitation on deciding its future has caused a fall in orders in recent weeks as customers wait to see what happens to the former ITT subsidiary.

ITC snubs tin crisis inquiry

BY PETER RIDDELL, POLITICAL EDITOR, IN LONDON

THE International Tin Council (ITC) declined to give evidence to the inquiry into the tin crisis by the UK House of Commons cross-party trade and industry committee.

It is highly unusual for any organisation to turn down a formal invitation from a Commons select committee, which has been given powers to summon both people and papers. But since the members of the ITC have diplomatic immunity, the MPs have no power to compel its representatives to appear.

In its reply to the committee, the ITC apparently referred to the fact that it was very busy at present.

The committee, which is chaired by Mr Kenneth Warren, a conservative MP, invited interested organisations to submit written and oral evidence.

Next Wednesday it will take evidence from the London Metal Exchange. The following Wednesday, it is likely to hear from the Department of Trade and Industry. Representatives of some of the creditor banks involved are also expected to be questioned.

The main intention is to clarify in public the background and implications of the tin crisis. If possible, the committee hopes to produce a short report before the beginning of the Christmas parliamentary recess.

Stefan Wagstyl adds: The ITC's claim to diplomatic immunity squares with its argument that it is also legally immune to court action by the creditors, to whom it owes hundreds of millions of pounds. However, the creditor banks and metal brokers believe that this immunity need not apply in commercial matters.

Representatives of the 14 banks and two financial institutions which have made loans to the tin council yesterday attended its emergency meetings on the tin market crisis.

It is understood that views were exchanged, but the discussions did not involve negotiations. The creditors are offering a rescue package but on terms which tin council members have so far refused to accept.

Commodities, Page 28

US sold \$3bn to help push \$ lower

Continued from Page 1

monetary authorities were supporting the G5 initiative.

According to Fed estimates, the other G5 participants - France, West Germany, Japan and the UK - sold about \$3bn in the six weeks after the meeting while the central banks of the broader G10 group sold more than \$2bn. Based on those figures, the US intervention represented about one third of the total \$10.2bn which the world's leading central banks spent between the G5 meeting and the end of October to push the dollar lower.

Mr Sam Cross, New York Fed vice president and head of the

bank's foreign exchange activities, said yesterday that the level of US intervention represented a "some-what different" approach by the US monetary authorities which have for years followed a policy of only intervening to re-establish calm in "disorderly markets."

Mr Cross said that the dollar began to fall immediately after the G5 meeting - even before the first official intervention began - and confirmed that the Fed first entered the market on the day after the Sunday G5 announcement to sell dollars and buy yen and D-Marks.

Over the next two weeks he noted

that the Japanese central bank was particularly active in selling dollars in an attempt to offset dollar purchases by commercial customers.

During the last week of September and the first week of October, the Fed report reveals that the US monetary authorities sold a total of \$199m against the D-Mark and \$262m against the yen.

Although the dollar fell as a result, the report says that in the next two weeks - beginning October 7 - the dollar came under heavier upward pressure, reflecting strong commercial and investor demand.

Plessey rejects GEC

Continued from Page 1

exchange capacity in service, though the installation rate is due to rise sharply to about 2m lines annually in the next few years.

Plessey is thought by industry analysts to have won so far slightly more BT System X orders than GEC. However, Plessey's System X sales totalled only 599m in the six months to September 27 and its pre-tax profits from telecommunications fell 24 per cent from a year previously to £23.8m.

Charles Batchelor in London writes: Losses outnumbered gains among electronics shares in London yesterday with the sector generally quiet apart from a small

number of leading stocks which brokers felt might become involved in Plessey's defence strategy.

GEC fell 10p to 176p. Brokers reacted favourably to the industrial logic of the bid but said the benefits of a merger might take several years to come through. Plessey closed unchanged at 174p.

Bridget Bloom, Defence Correspondent, in London writes: The British Defence Ministry is conducting an urgent analysis of the implications of any merger between GEC and Plessey, which are among its dozen largest weapons systems suppliers.

World Weather

Location	Temp	Wind	Cloud	Temp	Wind	Cloud	Temp	Wind	Cloud
Algeria	17	10	10	Algeria	17	10	Algeria	17	10
Amman	17	10	10	Amman	17	10	Amman	17	10
Baghdad	17	10	10	Baghdad	17	10	Baghdad	17	10
Bahia	17	10	10	Bahia	17	10	Bahia	17	10
Bombay	17	10	10	Bombay	17	10	Bombay	17	10
Buenos Aires	17	10	10	Buenos Aires	17	10	Buenos Aires	17	10
Calcutta	17	10	10	Calcutta	17	10	Calcutta	17	10
Cairo	17	10	10	Cairo	17	10	Cairo	17	10
Cardiff	17	10	10	Cardiff	17	10	Cardiff	17	10
Chennai	17	10	10	Chennai	17	10	Chennai	17	10
Columbus	17	10	10	Columbus	17	10	Columbus	17	10
Dacca	17	10	10	Dacca	17	10	Dacca	17	10
Dhaka	17	10	10	Dhaka	17	10	Dhaka	17	10
Durham	17	10	10	Durham	17	10	Durham	17	10
Edinburgh	17	10	10	Edinburgh	17	10	Edinburgh	17	10
Geneva	17	10	10	Geneva	17	10	Geneva	17	10
Hong Kong	17	10	10	Hong Kong	17	10	Hong Kong	17	10
Hyderabad	17	10	10	Hyderabad	17	10	Hyderabad	17	10
Imbros	17	10	10	Imbros	17	10	Imbros	17	10
Jakarta	17	10	10	Jakarta	17	10	Jakarta	17	10
Jeddah	17	10	10	Jeddah	17	10	Jeddah	17	10
Kuala Lumpur	17	10	10	Kuala Lumpur	17	10	Kuala Lumpur	17	10
London	17	10	10	London	17	10	London	17	10
Los Angeles	17	10	10	Los Angeles	17	10	Los Angeles	17	10
Madras	17	10	10	Madras	17	10	Madras	17	10
Manila	17	10	10	Manila	17	10	Manila	17	10
Mexico City	17	10	10	Mexico City	17	10	Mexico City	17	10
Mumbai	17	10	10	Mumbai	17	10	Mumbai	17	10
Nairobi	17	10	10	Nairobi	17	10	Nairobi	17	10
Paris	17	10	10	Paris	17	10	Paris	17	10
Rangoon	17	10	10	Rangoon	17	10	Rangoon	17	10
Reykjavik	17	10	10	Reykjavik	17	10	Reykjavik	17	10
Rome	17	10	10	Rome	17	10	Rome	17	10
Singapore	17	10	10	Singapore	17	10	Singapore	17	10
Sofia	17	10	10	Sofia	17	10	Sofia	17	10
Taipei	17	10	10	Taipei	17	10	Taipei	17	10
Tel Aviv	17	10	10	Tel Aviv	17	10	Tel Aviv	17	10
Tokyo	17	10	10	Tokyo	17	10	Tokyo	17	10
Ulaanbaatar	17	10	10	Ulaanbaatar	17	10	Ulaanbaatar	17	10
Yokohama	17	10	10	Yokohama	17	10	Yokohama	17	10

July 10 1985

JOBS COLUMN

Need to teach hard facts of working life

BY MICHAEL DIXON

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WHAT IS the essential key, by which I mean the absolute sine qua non, to being satisfied in a job?

I ask for two reasons. One is that many readers of this column evidently have enough experience of working life to know what makes the difference between jobs that are satisfying and those which are not. The second is that I am perplexed by a survey published the other day of British youngsters' notions about the years of work ahead of them.

The study covered 3,333 school pupils aged 13 to 18 as well as 1,007 undergraduate students at universities and polytechnics. It was carried out by Opinion Research and Communication for the Committee for Research into Public Attitudes.

What the committee's members find most disturbing about the survey is its finding that, in general, the young people had a low opinion of industry. Even those expecting to end up employed in the wealth-generating sector mostly thought little of its importance to society.

The school pupils in particular viewed industrial managers and workers as making a smaller contribution to the life of the country than doctors and nurses, teachers, the military, civil servants, and farmworkers. The younger group's most frequently cited reason for personally wishing to avoid work in industry was that it is "too routine and boring."

But while such attitudes are worrying in their own right, what bothers me still more is a suspicion that they may be only symptoms of a deeper problem. For the survey suggests that, no matter how sophisticated the rising generation may be in its knowledge of other things, even its older members are largely ignorant of the facts of working life.

Take for instance the university and poly students covered by the survey, the bulk of whom said they were seeking job satisfaction above all else. Although there were 1,007 undergraduates all told, only 882 had chosen the kind of work they wanted to do and were, therefore, able to give the reasons for their choice.

The most quoted reason, which was mentioned by 45 per cent, was that they were interested in the type of work concerned and thought they would enjoy it. Second came the belief that the job would involve use of the student's degree subject, mentioned by 18 per cent. Next with 12 per cent was the view that the work would present an intellectual challenge.

Only then, in fourth place and mentioned by a mere 10 per cent of the students, came the factor which this column feels is the sine qua non of being satisfied in a job — namely, being good at it.

Although open to correction by readers, I find it hard to see how the essential key to job-satisfaction can be anything

else. That is not to deny the value of the factor which the undergraduates ranked first: being interested in and perhaps enjoying the work. But however great a help interest and even enjoyment may be, it cannot be of more than secondary importance.

I regularly come across people who are clearly satisfied by a job which depends centrally on their being good at something which they find neither interesting nor enjoyable.

Journalism provides an example. Most journalists I know of are dedicated to their trade. You would be hard pressed to find one who would prefer any other way of making a near living. But you would be still harder pressed to find one who takes the slightest pleasure in the unfortunately sometimes necessary business of sitting down and writing. Hence the motto of our trade: "There's always another quarter of an hour."

But what I have never come across, either in journalism or anywhere else, is a case of somebody being satisfied in a job without being good at it. So why did the great majority of the undergraduates fail to mention the belief that they would be good at their chosen line of work as at least one of their reasons for picking it?

Part of the answer may lie in the fact that the proportion of students who did mention that factor — 10 per cent —

was the same as the proportion who said they had experience in the work of their choice. The main reason why the rest omitted the factor could be that the business of becoming good at a job, as distinct from becoming good at passing examinations and the like, is given no place in the formal educational curriculum.

If so, it is a pity. For the two kinds of ability are far from alike.

A good illustration of the difference has been provided by Bernard Holloway, former chief of careers advice at Manchester University. "Education conditions students to regard a mark of 80 per cent as a remarkably fine performance," he said. "So when they achieve that level of proficiency in something they tend to think they are good enough."

But where job skills are concerned, 80 per cent performance is usually nowhere good enough. You have to keep on grafting at the same thing until you can do it pretty well perfectly every time.

Another difference is that some schoolteachers now seem to encourage children to believe that finding something tedious is an adequate reason for ceasing to work at it. But I doubt that anyone can become good at a real-life job without striving at and mastering a lot of "routine and boring" tasks.

Such are the facts of working life. Educational institutions surely ought to start bringing

them home to young people well before they graduate at the age of 21.

Far East

TODAY'S first job in the Far East as Asia region treasury and foreign exchange manager of an American Bank, and is offered through Dudley Edmunds of the Roger Parker Organisation (85, London Wall, London EC2M 5TU; telephone 01-588 2580). Like the other headhunters to be mentioned later, he promises to abide by any applicant's request not to be named to the employer at this stage.

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NOW TO another US-owned organisation which is seeking a group treasurer for its British-based subsidiary through recruiter Dirk Degenhart (4 Priory Gardens, London W4 1TT; tel 01-995 3697). But since the group's business is not banking but industry — including fast moving consumer goods and engineering — the salary indicator is far lower: about £30,000 plus car.

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LASTLY someone both youthful in approach and old in top managerial experience is wanted by headhunter Simon Greenly as non-executive chairperson for a £8m-turnover company in the medium technology electronics business which is almost ready to become listed. Headquarters is in Southampton.

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To make their vision a reality, they are committed to invest in several key individuals who must be able to respond rapidly to a demanding and fast moving market place.

To meet the challenges of these high profile positions you should be aged 22-29, a graduate possibly with supplementary qualifications in Business Studies, Economics, or Accountancy, and be familiar with

mainframe and micro systems.

Ideally you should have experience of working in a financially orientated environment and possess highly developed analytical and interpersonal skills. The ability to work effectively within a self-motivated, highly pressurised and dynamic team is paramount and career prospects for the ambitious and commercially astute candidate will be excellent.

To find out more please telephone or write to Shubha Chawla quoting Ref: SC044.

**Lloyd
Chapman
Associates**

International
Search and Selection
160 New Bond Street, London W1Y 0HR
Telephone: 01-408 1670

Hongkong International Trade Finance Limited

Business/Marketing Executives

Hongkong International Trade Finance Limited is the trade finance arm of The Hongkong Bank Group. Due to expansion, we are seeking two high calibre marketing and business development executives aged 25 to 35.

The individual(s) concerned must have proven experience in international banking or trade finance and should preferably have capability in one or more European languages. We would expect candidates to have travelled overseas on trade finance related business as part of their career development to date and to be experienced in all aspects of risk assessment.

An attractive salary is offered.

Applications with full C.V., which will be treated in strict confidence, should be addressed to Mr. C. E. Fiddian-Green, Hongkong International Trade Finance Limited, Wardley House, 7 Devonshire Square, London EC2M 4HN.

A Career in Investment Management?

The development of our Fund management business requires additional expertise in the fixed interest and currency markets. The successful applicant will be expected to contribute to the Fixed Interest team formulating economic and market analysis and assisting in managing client portfolios.

He or she will have a good degree, at least 1-2 years experience in an investment or banking environment and be in the age range 22-26.

This is a challenging opportunity for the right candidate and a competitive package will be offered. Foreign & Colonial Management Group is one of the oldest and best established investment groups in the City of London. With over £1,300 million under management the Group manages the portfolios of investment trusts, unit trusts, pension funds, charities and private clients.

Apply in confidence to Adam Parkin, Foreign & Colonial Management Limited, 1 Laurence Pountney Hill, London EC4A (Tel: 01-623 4680).

**Foreign & Colonial
MANAGEMENT GROUP**

Merrill Lynch International Bank

Senior Credit Analyst

Merrill Lynch International Bank is expanding its treasury, foreign exchange, trade finance and securities lending activities. This growth requires the addition of an experienced international credit analyst to support the marketing groups. Reporting to the Senior Credit Officer, responsibilities will include the completion of credit proposals and legal documentation with customer contact as may be required. There is significant scope for career development within the credit or marketing areas.

The successful applicant should have a degree and a minimum of 5 years credit-related experience. US Bank credit training and fluency in a foreign language will be an advantage. A highly competitive compensation package will be offered.

Please write giving details of your career to date to: Keith Robinson, Recruitment Manager, Merrill Lynch Europe Ltd., 27 Finsbury Square, London EC2A 1AQ.



Merrill Lynch

RESEARCH IN MACROECONOMIC MODELLING AND FORECASTING

The Economic and Social Research Council, acting on behalf of the Macroeconomic Modelling and Forecasting Consortium which consists of HM Treasury, the Bank of England and the ESRC, invites applications for research projects in, or directly related to, macroeconomic modelling of the UK economy. Eligibility is restricted to established academic or 1987 for a maximum of four years.

The deadline for formal submissions is Friday 21 February 1986. Guidelines to applicants and further information can be obtained from Christina Hadjimatheou.

The Economic and Social Research Council will be located at 1 Temple Avenue, London EC4Y 0BD, tel: 01-353 5252 until 1 January 1986, applications should thereafter be sent to 160 Great Portland Street, London W1N 6DT, tel: 01-637 1499.

E/S/R/C ECONOMIC AND SOCIAL RESEARCH COUNCIL

CAREER CRISIS AHEAD!

If you have the skill and determination to self consultancy services especially in relation to the Data Protection Act, then we would like to hear from you. Age and status immaterial. CV to:

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LOUISE HUNTER
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July 1985

Jonathan Wren

Financial Director £50,000 Package

The highly successful sales-aid leasing subsidiary of a Major equipment manufacturer, which has achieved substantial growth in terms of both profit and turnover during the last five years, is currently seeking a self-motivated entrepreneurial FCA, with leasing experience, to take up an immediate full Board appointment. As well as overseeing the financial function, the appointee will be jointly responsible with the Managing Director for the overall operational and strategic direction of the Company. In addition, there will be a heavy involvement with the marketing of both the Company and its products.

A substantial profit related bonus and other excellent benefits are included in the remuneration package plus a quality motor car.

Contact Peter Haynes or Brian Gooch.

General Manager Salary Negotiable

A versatile Senior International Banker, aged 40 plus, is sought by this Licensed Deposit Taker in London W1 to assume the role of General Manager. Acceptability to the Bank of England is essential, coupled with a complete understanding of all International Banking procedures from an operational point of view. The successful applicant will show many years at a Senior Executive level in London. The position will control and run the entire banking operation, which is biased towards Private Clients business.

Contact Richard Meredith or Trevor Williams

ACA/Investment Banking Neg £20-25,000 Plus bonus

The Investment Banking arm of a Major US Bank is currently seeking an ACA who possesses a knowledge of banking, taxation and excellent communication skills. The successful appointee will form part of a highly professional team, responsible for taxation advice, statutory accounting, budgeting and strategic planning, as well as a number of special research projects specifically relating to new financial Investment Banking products. The benefits package will include a bonus of around 20-50% of salary, company car, mortgage, etc.

Contact Brian Gooch or Peter Haynes.

Telephone 01-623 1266

All applications will be treated in strict confidence.

SYDNEY

Jonathan Wren

Recruitment Consultants

170 Bishopgate, London EC2M 4LX. Tel: 01-623 1266

HONG KONG

Administration Director

Up to £25,000 + car + benefits

Tollemache and Cobbold Breweries Ltd. are well known and run a vigorous and profitable brewing wholesale and retail business from their IPSWICH base.

To service their growing organisation they wish to appoint an Administration Director who will be a member of the Operating Board and report directly to the Managing Director.

Whilst embracing normal administrative and secretarial activities such as organising and servicing Main Board and the Operating Management Meetings and being responsible for pensions, insurance and licensing, there are main commitments which cover legal (contracts, commercial law and statutory obligations),

administration (filing and registry systems, correspondence and security), property (rent reviews, leasing, acquisition and valuation) and personnel including union negotiations and industrial tribunals.

The person appointed could have been a Chartered Accountant or Secretary with indepth applied legal, personnel and industrial relations experience. Equally a trained Lawyer (or qualified) with many years of commercial experience outside the practice could fill the post.

In this progressive company the successful candidate is most likely to be in the 35 to 45 age bracket.

Men and women are invited to write in strict confidence to
P. W. WATSON, Managing Director, Tollemache & Cobbold Breweries Ltd.,
P.O. Box No. 5, Cliff Brewery, Ipswich, Suffolk, IP3 0AZ,
quoting reference 426.

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Advances Officers
(24-27) AIB to £12,000
Please contact Mike Pope at:
01-247 8314

HongkongBank Limited

Assistant Director
International Energy Department

A career opportunity for an ambitious Banker with energy and project lending experience.

HongkongBank Limited is the European Merchant Banking arm of the HongkongBank Group and its Energy Department is responsible for the International Energy Lending. Recent business expansion, including consolidation of Group activities in London, has created growth in the Department's level of activity. To cater for this increased activity and further opportunities, we now seek an additional Assistant Director.

We invite applications from candidates who have substantial banking experience including not less than five years in the field of energy lending. In particular, good project lending capability is required and a proven track record will be essential. The ability to exercise strong entrepreneurial and creative skills within a team environment will be key to this excellent career development opportunity.

A market competitive total benefits package is available based on experience and quality of the candidate.

Please write enclosing full personal and career details which will be treated in strict confidence to: C. E. Fiddian-Green, HongkongBank Limited, Wardley House, 7 Devonshire Square, London EC2M 4HN.

LIECHTENSTEIN (U.K.) LIMITED

Licensed Deposit Taker

CHIEF ACCOUNTANT

Liechtenstein (U.K.) Limited, a licensed deposit taker, wishes to recruit a Chief Accountant. Duties will include maintenance of the Company's financial records, preparation of monthly and annual accounts, Bank of England and V.A.T. returns and day-to-day supervision of the settlements and computer areas. The Company has an IBM 38 with IBIS software.

Liechtenstein (U.K.) Limited is a wholly-owned subsidiary of Bank in Liechtenstein AG, a long-established European private bank with a good reputation, particularly in asset management, which, over the past few years, has established subsidiaries in Zürich, Frankfurt and New York as well as London.

The remuneration package includes those benefits normally expected of a senior position in the City. Apply, in the first instance, with a copy of your curriculum vitae, to the Chief Operating Officer, Liechtenstein (U.K.) Limited, 1 Devonshire Square, London EC2M 4UJ.

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TECHNOLOGY

European Controller
c.£25k+ quality car SW1

Our client is a high profile American subsidiary based in Chelsea, a leader in the exciting and expanding field of relational databases. This expansion has created a new post for a qualified and experienced chartered accountant to build a team which will develop and control the financial/management systems. The ideal candidate will be a decision-maker, aged 30-40, able to communicate, experienced in finance, administrative systems and management, and a user of computer technology. Training will be provided in California. Experience of business/international law or as a company secretary would be a valuable asset. Career prospects could lead to a directorship.

For confidential discussion, telephone Dr Ray Adams on 0223-313791 (day) or 0223-276590 (evenings) or write to me at Cambridge Corporate Consultants Limited, 7 Green Street, Cambridge CB2 3JU.

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Our Computer Services Division is a market leader in the UK and is one of Europe's principal information security and control organisations. We've grown by allowing our consultants to realise their potential. One area in which we have been particularly successful is in the financial services sector. Only consultants of the highest quality will enable us to maintain our growth.

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You may be a consultant, banker or DP professional with a wide understanding of banking systems and experience of a major banking package. Perhaps you have been involved in selecting and implementing a system for a bank, an LDT or the Treasury Department of a major organisation.

Your work will be varied and stimulating. It will include assessing clients' system requirements, selecting and implementing the most appropriate package and a wide range of other high profile assignments.

You must have the ability to communicate to all levels of management.

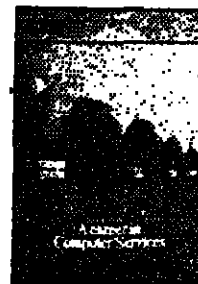
This is a demanding position which will be well rewarded. Your salary of up to £25,000 plus car will be boosted by a career path limited only by your own ambition and ability. You will be adding to the specialist skills of a division of more than 150 consultants and the resources of one of the leading accountancy and consultancy firms.

Return to Eddy Peers, National Computer Services Recruitment Partner,
Deloitte Haskins & Sells, 128 Queen Victoria Street, London EC4P 4JX.

☐ Please send more information about Deloitte's Computer Services Division.
☐ I am enclosing my up-to-date CV and would appreciate an early appointment.

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ADDRESS _____



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c£25,000

International Banking

Standard Chartered Bank is one of Britain's major international banks, with gross assets exceeding £26,000 million and more than 2000 offices in over 60 countries.

We wish to recruit an experienced Strategic Planning Manager to join the Asia Pacific Department in our Group Headquarters in Bishopsgate.

This new post will be responsible for ensuring that strategic business planning carried out within the areas that comprise the Asia Pacific Region, in regard to Annual, Strategic, Special Project and Corporate Plans, are collated and analysed to produce an Annual Regional Plan. The job will include liaison with our other Headquarters Departments and outside companies to ensure that full advantage is taken of product and systems development (Data Processing and Information Systems) and

that user requirements are expeditiously reviewed and met in support of product delivery.

The ideal candidate will be aged 30-35 years, will have a relevant professional qualification, preferably an MBA, and experience of mainframe computer configurations. A comprehensive understanding of Strategic Business Planning related to product delivery, servicing and pricing gained in a multi-national corporate environment is essential.

Salary will be c.£25,000 plus a car and the usual generous banking benefits. There will be the opportunity for overseas travel.

Please apply, with a comprehensive c.v., to Jean Collins, Assistant Manager, U.K. Personnel Services, Standard Chartered Bank, 38 Bishopsgate, London EC2N 4DE.

Standard Chartered

CJA

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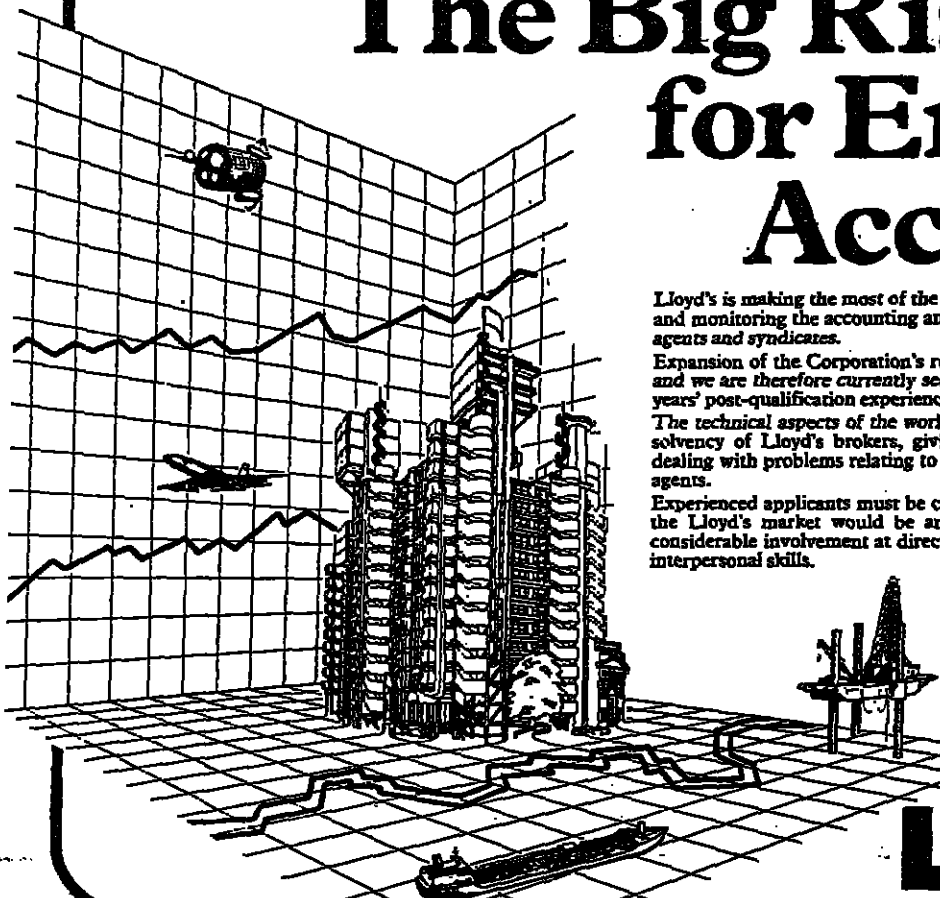
CITY

FAST GROWING INTERNATIONAL MERCHANT BANKING ARM OF MAJOR DIVERSIFIED US BANKING GROUP
We invite applications from candidates, in their mid to late 20's who must have had at least 2 years' demanding commercial and/or international banking experience with UK or other European corporate clients. A knowledge of Capital Markets products will be an advantage. The primary role of the selected candidate, who will report to and work closely with two New Business executives, will be to support their marketing activities through: planning; identifying potential clients; analysis in a strongly transaction orientated business; liaising with Capital Markets specialists and visiting clients. Key personal attributes are an entrepreneurial attitude, self motivation, numeracy and above all those qualities required to build confidence quickly with clients. Initial performance related compensation c.£15,000, plus a full range of generous fringe benefits. Appropriate costs relating to relocation to London will be covered. Applications in strict confidence under reference MTS/17334/FT will be forwarded unopened to our client unless included in a list of companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

PROMOTING INVESTMENTS AND FINANCIAL SERVICES
I have considerable experience in marketing to clients all over the world and would like to hear from merchant banks and investment institutions who generate and service international business.
Please write Box A 9195, Financial Times, 10 Cannon Street, London, EC4A 3DF.

The Big Risk Business for Enterprising Accountants



Lloyd's is making the most of the challenge of self regulation. This means major commitment to developing and monitoring the accounting and financial requirements to be observed by Lloyd's brokers, underwriting agents and syndicates.

Expansion of the Corporation's role in this area has created the need for additional accountancy expertise, and we are therefore currently seeking Accountants at all levels from newly qualified to those with several years' post-qualification experience.

The technical aspects of the work are varied and challenging. They include monitoring and analysing the solvency of Lloyd's brokers, giving financial advice on the re-registration of underwriting agents, and dealing with problems relating to syndicate premium income levels and the financial status of underwriting agents.

Experienced applicants must be capable of working at Assistant Manager level, and although knowledge of the Lloyd's market would be an advantage, it is not essential. These are high profile positions with considerable involvement at director and partner level within the Lloyd's market, requiring well developed interpersonal skills.

Salaries will be extremely attractive in the range £17,000 - £24,000, with a comprehensive range of benefits including bonus, non-contributory pension, private medical cover and restaurant facilities. Senior positions carry a company car.

To apply, please send full CV to: The Personnel Department, Corporation of Lloyd's, London House, 6 London Street, London EC2R 7AB, or telephone Alan Thomas, on 01-623 7100 ext. 4326 for further details.

LOYD'S OF LONDON

CORPORATE TREASURY CONSULTANTS

London

Up to £30,000 + Car

We are looking for suitably qualified staff to join the growing corporate treasury consulting group within our management consultancy. The work entails advising our industrial and commercial clients on a wide range of treasury matters including domestic and international cash management, foreign exchange policy, financing arrangements, bank relationships and treasury systems. The work is varied and challenging and long term prospects with the firm are excellent.

Applicants should have a degree or professional qualification and must have spent several years working in corporate treasury.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2342 to M.R.Hurton.

Touche Ross
The Business Partners

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

TORONTO DOMINION BANK

INTERNATIONAL BANKING OFFICERS

The Toronto-Dominion Bank is one of the longer established overseas international banks in the City. We have strong representation in the United Kingdom and most of the world markets.

As part of our continuing management development programme in London, we wish to recruit three university graduates with at least two years' experience in international banking.

The successful candidates will be assigned initially to one of our account management groups in London for training and development in Credit Analysis and Marketing. Following exposure to our corporate banking activities, both in the UK and in Canada, a challenging appointment will subsequently be provided in London.

Preference will be given to individuals who are fully mobile and who possess second language skills ideally French or German.

Salaries will be based on the candidates' qualifications and experience and our benefits package is fully competitive with the financial sector.

Please write including full details of your career to date to: Mr J. W. Green, Manager, Human Resources, The Toronto-Dominion Bank, Triton Court, 14/18 Finsbury Square, London EC2A 1DB.

TD

Hutton LONDON CONTROLLER

E.F. Hutton is a major US financial services group whose main operations cover the International Equities, Commodities and Capital Markets. Formidable growth has been enjoyed by the London Office, both in volume and profitability, over recent years.

A promotion has now created the opportunity of joining this fast expanding operation. Within this challenging environment the London Controller is seen as an integral member of the management team.

Job responsibilities for the London group of companies (including Commodity and Eurobond trading, Retail and Institutional broking) encompass the supervision and development of all aspects of management and financial accounting, systems and reporting.

Ideally candidates will be qualified accountants, in their late 20's, with exposure to the financial services sector and/or US reporting procedures.

The position carries a substantial remuneration package including a company car and attractive bonus scheme and offers excellent career prospects both in the UK and US.

Please reply in confidence to Philip Griffiths - retained exclusively as shortlisting consultant - contact details as below.

HUDSON SHRIBMAN
The complete financial selection service

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European Controller

High technology capital equipment
Berkshire, c. £20,000, profit share, car

The company sells and services high-value electronic systems manufactured by its Californian parent. The excellence of the product is reflected in the corporation's outstanding financial performance, and rapid development has created this new position. Reporting to the General Manager Europe, the successful candidate will be responsible for the total financial management of European operations, with a considerable influence on the overall direction of the company. Candidates, graduates aged 27-35, must be qualified accountants or MBAs, with a strong technical bias to their academic or business careers. Experience of European accounting systems and/or fluency in French or German would be of special interest. First-class communications skills must be complemented by confidence, initiative and a flexible approach to the job. Significant overseas travel will be required. A comprehensive benefits package includes a generous share purchase scheme, and there are prospects for career progression in Europe or the USA.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to S.P. Spindler, Hoggett Bowers plc, 36 High Street, Eton, WINDSOR, SL4 6BD, 0753 850851, quoting Ref: 24029/FT.

Leicester Polytechnic

Deputy Director/ Director Designate

The Governing Body invites applications for the above post vacant from 1st September 1986. The present Director will retire on 31st August 1987 and the person appointed will be appointed Director from 1st September 1987.

Candidates should have appropriate academic qualifications and management experience in higher education/research/industry/commerce/professions in order to lead a large highly successful institution into the 1990s.

Salary: Group 12 Institution.

Particulars etc. from: The Secretary and Clerk to the Governing Body, P.O. Box 143, Leicester LE1 9BH.

Closing date for receipt of application forms: 31st December 1985.

EQUAL OPPORTUNITIES POLICY:
Applications are welcome from suitably qualified and/or experienced people regardless of race, ethnic origin, religion, sex, marital status or disability.

GROUP BUSINESS CONTROLLER

required by

Agnecheek

A rapidly expanding High Fashion and Retail Group, which includes the top names in fashion, requires a Group Business Controller to work closely with the Managing Director and the Finance Accounts Department. The position offers considerable responsibility and a challenging role in the financial and commercial aspects of the Group, including Sales, Development and the financial supervision of the Retail business and the Management/Manufacturing. An individual with a strong personality, a flexible approach and suitable financial background is needed. Experience in the Retail sector is desirable but not essential. The remuneration package for this senior position will be commensurate with experience and qualifications.

Please reply with full C.V. to: Mrs J. Leachbury, 8 Ship Street, London SW8 4SE. All replies will be treated in the strictest confidence.

CONSULTANT FOR BANKING SERVICES

I am currently looking for a trainee to join the permanent placement team in this small independent consultancy. You will receive a first class training, who have the opportunity to do the professional qualification and being made. If this appeals to you and you have a degree or two A Levels will contact you by phone or letter by return of post. Please state.

OLD BROAD STREET
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Appointments Wanted

SENIOR INVESTMENT RESEARCHER FUND MANAGER

Over 15 years' experience in London and overseas
Specialist in mining and financial shares
Rated Analyst with leading U.S. Institutions
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10 Cannon Street, London EC4A 3DF

Head of Trading

A New Opportunity

Salary: Competitive and Negotiable

The London based merchant banking subsidiary of a US commercial bank is looking for an ambitious professional for a challenging new position in its recently established Capital Markets Division.

Reporting directly to the Head of this group the role encompasses the formulation of trading policies and the development of a small team, combining experienced traders with new entrants.

Previous trading experience may have been in a variety of currencies and sectors, although a knowledge of fixed rate Eurodollars will be essential to service the bank's domestic client base. In time further profitable trading areas will be developed according to the successful candidate's own specialisation and those of the team established.

This is an excellent opportunity for an individual looking for a new challenge and possessing the ability to demonstrate his/her flair and leadership skills in a start-up situation.

In the first instance applicants should contact Sally Poppleton on 01-404 5751 or write to her at 39/41 Parker Street, London WC2B 5LH.



Michael Page City

International Recruitment Consultants - London Brussels New York Sydney
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TRUSTEE EXECUTIVES

£11,000-£16,500 pa - Central London

Attractive benefits - Including Mortgage Subsidy - Excellent prospects

The Prudential Group, the largest investment organisation and one of the most powerful financial forces in the country, also acts separately as trustee for public and private loan and debenture stock issues, private trust funds and similar matters.

This work is handled by a professional department and covers a wide range of trustee responsibilities in the corporate finance field as well as most aspects of the work of executors and trustees under wills and settlements.

A need has now arisen to strengthen the existing executive team and we are looking for young specialists preferably (though not necessarily) qualified and probably in their mid 20's to mid 30's

who can show us a good background of experience in corporate trustee work and/or executorship duties.

There are excellent opportunities for career development within the Group. Initially salaries are negotiable depending on qualifications and experience and in addition a range of benefits are offered which include low interest mortgage, non-contributory pension scheme, flexible working hours and sports and recreational facilities.

Please write enclosing full CV to: Eileen Brown, Personnel Officer, Prudential Assurance Co. Ltd., 142 Holborn Bars, London EC1N 2NH or telephone her for an application form on 01-405 9222 ext. 2568.

Prudential

Decision Support

ACCOUNTANTS, M.B.A.s and I.T. SPECIALISTS

Management Consultancy

City based

The Competitive Advantage...

£16 - £30,000 + car

"It is hard to underestimate the strategic importance of the new information technology... every company must understand the broad effects and implications of the new technology and how it can create substantial and sustainable competitive advantages". - Harvard Business Review August 1985.

Coopers & Lybrand Associates are implementing major Decision Support Systems in European companies who are now leaders in the use of Information Technology. Using information as a resource, the companies are gaining substantial competitive advantage.

To develop DSS, C & L have established a group of specialists with the most up-to-date skills in Business Management, and Decision Making and Information Technology. They use state of the art Decision Support products in close collaboration with the world's major hardware and software suppliers. Working with industry leaders all over the world, they develop and implement sophisticated cost effective I.T. solutions for decision makers - providing that ingredient vital to success in business - competitive advantage.

Coopers & Lybrand Associates are the largest and fastest growing Management Consultancy in the U.K. They now seek qualified professionals with sound business experience and the initiative and personal motivation to help them build on their successes in the rapidly developing area of Decision Support. Aged between 25 and 35, with a minimum of four years experience in your field and a highly professional approach, you may be an Accountant or business manager involved in the application of IT to business problems, or a Computer specialist currently working in Decision Support, information centre, or database technology.

You will be encouraged to take an active part in the growth and development of what is arguably the foremost professional firm in the world - an organisation within which the opportunities for personal achievement are quite outstanding, and which will enable you to gain for yourself that most valuable of assets - the competitive advantage.

To discuss, contact Patrick Jackson, in strictest confidence, on the number below, or via Newick (082572) 3694 evenings and weekends. Alternatively send a brief career history quoting 57306.



Barry Latchford Associates Tel. (01) 629 7594
10, Sedley Place, Mayfair, London W1R 1HG

ACCOUNTANT (ACA)

Leading International Bank is seeking a person, preferably male, 25+ to assist in the further development and maintenance of its well-established accounting and management reporting systems. Candidates must be qualified and have gained working experience in international banking. An attractive salary package, including mortgage subsidy is available.

CREDIT OFFICER

Respected International Bank has a challenging opportunity for an ambitious and professional banker, ideally 25-30, to fill a new and exciting position. Candidates must have at least two years credit experience, sound credit judgement and the potential to develop marketing skills in an expanding environment.

F/X DEALER

An opportunity with a leading International Bank for a person, male, 25+, with the ability to progress swiftly to Senior Dealer status. Candidates must be able to demonstrate sound experience in both FX and Dealer trading and also display strong management potential. Interested persons are invited to contact us in confidence to discuss the position.

MARKETING (SYNDICATIONS)

Confidential need expressed by a leading European Bank has created this exciting new position for a banker to join a progressive syndication and asset sales section. Candidates, preferably male, 25+ and ideally 30+, must already have 2-3 years experience of marketing in banks and to display the ability to function in a high growth environment.

CREDIT & MARKETING OFFICER

Well-established Bank, active in a wide range of Syndicated Loan and Capital Markets, is seeking a person, ideally 25-30, to join its Credit & Marketing Officer in marketing the Bank's services to corporate clients and financial institutions. Candidates must already have some experience in the marketing role, supplemented by a solid credit background, plus strong personal initiative.

UK MARKETING OFFICER

This new position, with the well-established London Branch of a respected international Bank, calls for a person, ideally 25-30, and male, to develop and promote the Bank's services in the UK. Candidates must have a minimum of 2 years experience in the UK, plus the ability to progress swiftly to Senior Dealer status. Interested persons are invited to contact us in confidence to discuss the position.

Our current assignments also include...

Auditor (ACA)	£17,000
Cable Dealer	£18,000
Credit Analyst	£15,000
Documentation Off.	£15,000
Eurobond Settlements	£18,000
FRN Trader	£25,000
LIFFE Trader	£19,000
Mkt Asst. (S. Europe)	£19,000
Money Mkt. Dir.	£25,000
Sterling Snt. Dealer	£25,000
Trade Finance	£20,000
Warrants Trader	£19,000

Skeels Associates

Bank Recruitment Consultants

2 London Wall Buildings
London Wall EC2M 5PP
Tel: 01-588 2081

ROYWEST TRUST, ISLE OF MAN

PORTFOLIO MANAGER

RoyWest Trust, a leading international bank and trust company has a vacancy in the Isle of Man for a Portfolio Manager. The successful applicant should have experience in international bonds/equities and a degree or an equivalent would be an added advantage. Assets managed are multicurrency and applicants must be able to manage international portfolios on their own initiative. The job to be filled offers a very attractive salary and benefits package, which includes a pension plan, medical and life insurance.

The RoyWest Group is associated with National Westminster Bank PLC and The Royal Bank of Canada Group.

Write to C. R. Middleton, RoyWest Trust Corporation (Isle of Man) Ltd., 33 Athol Street, Douglas, Isle of Man or telephone (0624) 27124.

Investment Marketing Executive SEVENOAKS, KENT

We are a leading international mutual life insurance and pensions group, with assets in excess of £7,000 million. Swiss Life Pensions Ltd., a successful company within the group, based in Sevenoaks, provides the fund management services on behalf of our UK pension fund clients.

Due to continued expansion we are now seeking an additional Investment Marketing Executive to keep the group's pension fund clients fully informed about the progress of their investments. Responsibilities will include the preparation of informative investment reports, the presentation of

investment policies to clients, and monitoring developments in the financial services industry.

The successful candidate will have several years marketing experience in the financial services sector and will have a demonstrable ability to express an understanding of the economy and investment markets. Relevant financial or insurance qualifications would be an advantage.

This is an important position in the company and the attractive remuneration package will include an assisted mortgage.

Please write or telephone for an application form to:

Mrs. S. Clifton,
Swiss Life Pensions Ltd.
Swiss Life House, 99-101 London Road
Sevenoaks, Kent TN13 1AX
Tel: (0732) 450161

A member of the Swiss Life Group

Swiss Life

Group Taxation Manager

Circa £25,000 + car

The Polygram Group in the UK (turnover £100 million) is involved in the manufacture and marketing of records, cassettes, compact discs and videos.

Reporting to the Finance Director responsibilities will include group planning, reorganisations and computations.

Applicants (male/female) should possess recognised accounting or taxation qualifications with wide exposure in the corporate tax field and some experience of personal tax and VAT. Personal qualities required are a practical approach, rapid problem solving ability and good communication skills.

Benefits include Company car, annual bonus, 5 weeks holiday, medical insurance and free Company products.

Write, enclosing detailed CV, to Tony Freedy, Director of Personnel, Polygram Leisure Limited, 15 Saint George Street, London W1R 9DE.

polyGram



FINANCE MANAGER

Norsk Hydro Oil & Gas

Twickenham

Part of a well known group whose interests cover many countries and several industries, our clients have a substantial investment in the exploration and development of oil and gas resources in Europe.

Group policy is to apply the highest standards wherever they operate and to set ambitious growth targets. They already hold numerous licences on the UK shelf and will continue to expand their UK based activities.

We would like to hear from candidates for appointment as Head of the Finance Department, based in Twickenham, with responsibility for leading the finance team, participating in the identification and

negotiation of expansion opportunities; economic evaluation of exploration, development and acquisitions; financial reporting and budgeting.

Qualifications should include an MBA or equivalent and the successful candidate, probably aged 28-38, is likely to have substantial experience of the financial evaluation of oil/gas investment projects.

Remuneration is targeted to be in the order of £25K - £30K but is negotiable according to qualifications and experience. Car and other large company benefits. Please send your CV to Terry Turner if you wish to explore. No names passed on without permission.

TERRY TURNER & COMPANY LIMITED

RECRUITMENT & MANAGEMENT CONSULTANTS
The White House, Market Place, Chalfont St Peter, Bucks, SL9 9HF, Tel: 0753 886601.

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD AND WINDSOR

Senior Merchant Banking Opportunities

Major Merchant Bank
Midlands and North of England,
up to £45,000, car, banking benefits

Our client is a major, expanding merchant bank who wish to recruit one or two high calibre executives to make a substantial contribution to the development of their business in the Region. We are looking for either merchant bankers or experienced industrialists who feel they have something to offer in these areas of banking. Bankers could be generalists or specialist in either corporate advice or finance, including development capital. Candidates, who will probably be 30 years of age or more, should be graduates or professionally qualified in accountancy, banking or law. They must have sound, high level local contacts, be respected in the business community, have presence and above average communication skills. Experienced candidates will probably be working in merchant banks, stockbrokers, accounting or legal firms, or in the finance function of industrial companies. In all cases, the ability to market the bank's services is of paramount importance.

Male or female candidates should submit in confidence a comprehensive C.V. or telephone for a personal history form to J.R. Featherstone, Hoggett Bowers plc, 7 Lisbon Square, LEEDS, LS1 4LZ, 0532 448661, quoting Ref: 12343/FT.

S&C FINANCE LTD

ASSISTANT TO MANAGING DIRECTOR

Unique opportunity in corporate finance
Age 27-35

GEC Finance Limited is GEC's new finance company established to invest part of GEC's surplus cash resources and build up a customer financing capability for GEC companies around the world.

The Managing Director is seeking an assistant to be a key member of his small executive team. Based in central London, the successful applicant will be exposed to a wide range of financial techniques and instruments, both domestic and international, including investment and credit analysis, capital market instruments, swap and option contracts,

customer finance, and vendor leasing.

Applicants should be chartered accountants and/or hold an MBA. At present, they may be with a commercial, merchant or investment bank, or with a major accountancy practice, or in a corporate treasury department.

The competitive remuneration package includes a negotiable base salary plus discretionary bonus, company car and pension. Please send a brief CV in confidence to The Managing Director, GEC Finance Ltd, 132 Long Acre, London WC2E 9AH.

GREEN COFFEE TRADER

London coffee merchants require physical coffee trader to manage distribution to European markets. Applicants should be aged 30-40 with experience of producing countries and the trade in general. Basic salary of up to £20,000 plus attractive package of benefits.

Write with curriculum vitae to Box No. FT958
St. James's House, 4/7 Red Lion Court, London EC4A 3EB

Two new, senior management roles. Call them what you will, they both mean business.

The basic dimensions of Thames Water make it unusual among public utilities.
Last year, for example, we made a revenue income of £500M yield a heartening £104M profit.

But if the scale of our operation makes us unusual, the commercially minded way we go about our business makes us unique.

We're not going to forget that our first task is to supply 11½ million people (more than any other water undertaking in the world) with life's most essential commodity. But there's a growing awareness throughout our organisation that we're also very much in business - that we have products and services that need to be marketed, assets that need to be exploited, profits that need to be made.

And even without the prospect of privatisation, our shift towards a thoroughly commercial way of thinking and acting is now irreversible.

These two newly created roles, each with a significant marketing dimension, show how far we've come.
They also show just how far the right men or women could still lead us - and themselves.

Maximising the return from joint ventures c. £22.5K plus Car and BUPA

Joint ventures have a lot to offer us (and the organisations with whom we collaborate) and our first successful steps in this field prove that we can cast our eyes way beyond the shores of the UK in our search for partners.

With the upward trend in this side of our business, we now need a Joint Venture Manager who can help select and evaluate suitable partners, work closely with other departments to produce satisfactory partnership agreements, and keep a watching brief over joint ventures once they're up and running, to ensure that they satisfy both commercial and policy objectives.

You'd need to be completely at home with the nuts and bolts of company

acquisition, the setting up of joint ventures, and with franchise schemes - including all the detailed legal requirements.

Commercial Manager for the marketing department c. £20K plus Car and BUPA

The fact that we have a fully developed marketing department speaks volumes about the way we're changing.

Your job would be to help to prepare and present its budgets, helping devise pricing structures on the whole commercial viability of a wide range of contracts. There will be a need to liaise closely with finance, legal and personnel departments.

You'd need to combine close familiarity with contracts, patent agreements and other legal requirements with a high degree of numeracy.

Business-minded lawyers or legally aware accountants?

We're aware that these are unusual appointments for us, even these days. So we're remaining open-minded about the precise qualifications and experience of the people we talk to. But in all our discussions about these roles, two profiles emerged - that of a qualified accountant with experience of the commercial world, particularly in its aspects we've outlined, and a lawyer who has had similar "hands-on" experience of business and commerce.

We're convinced that enthusiasm for change and the ability to get things done will be prominent characteristics of the men and women we choose. We're equally convinced that they'll have a lot going for them in an environment where getting things done doesn't mean swimming against the tide, if you'll pardon the metaphor.

If you are interested please send a copy of your CV, to: Richard Marshall, General Manager Personnel, Thames Water, King's Meadow House, c/o Nugent House, Vastern Road, Reading, Berks RG1 8DB.



RUNNING WATER FOR YOU

NMB BANK

Dealers

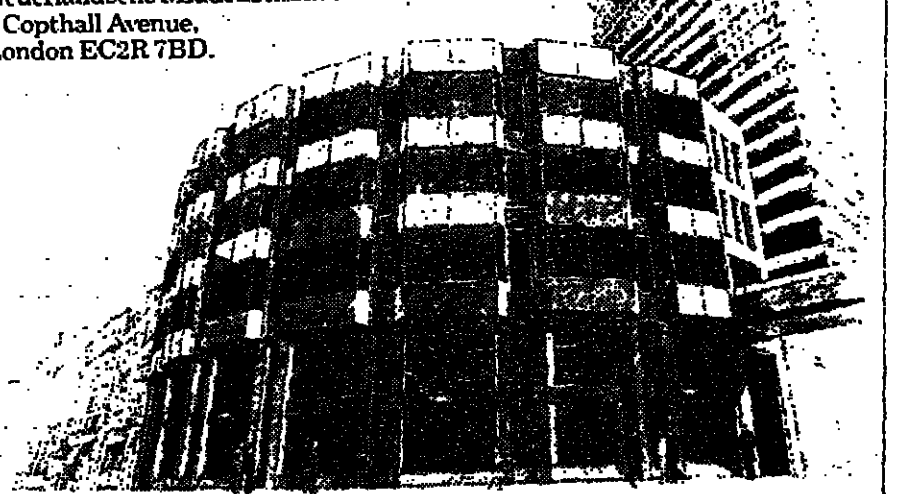
London

The continuing expansion of NMB's established London Branch means we are looking for a Spot Dollar/Sterling Dealer, as well as an FRA/Financial Futures Dealer, both aged between 23-27 and with at least three years' of relevant experience behind them.

A mature personality and a keen sense of humour would be advantageous.

The remuneration package will include, among other benefits, a competitive salary and free season ticket.

Replies with an up-to-date CV, indicating how your own career might be satisfied by this appointment to: Mrs. Judith Heard, Nederlandsche Middenstandsbank n.v., 2 Copthall Avenue, London EC2R 7BD.



Mitsubishi Finance International Limited CORPORATE FINANCE EXECUTIVE

INTERNATIONAL CAPITAL MARKETS

As a result of our recent growth and continued expansion, we are seeking to enlarge our Corporate Finance Group.

The candidate should have several years experience in coverage of either North American or European clients, and specific product knowledge that encompasses straight debt issues, FRNs and swaps. The successful candidate will be responsible for the origination, marketing and negotiation of these capital markets products.

Remuneration is commensurate with experience and includes a competitive range of banking benefits.

Please write to:
David Spencer
Company Secretary
Mitsubishi Finance International Limited
1, King Street, London EC2V 8EB

FINANCIAL ANALYST European Treasury

Here at Air Products - a world leader in the supply of industrial gases - our European Treasury department plays an important role in our continuing success.

European Treasury consists of three sections - Analysis, Operations and Insurance. The first of these is concerned with a wide range of tasks including source and use of funds projections, financial analysis of company reports and accounts, and the management of the assets of the company's pension schemes. It is in this section that a challenging career appointment has arisen for an ambitious Financial Analyst.

The man or woman we're seeking will probably be aged between 25-30, with sound "hands on" experience

and, ideally, a business related degree or an accounting qualification. Certainly, he or she will have a strong interest in capital markets in general and the London stockmarket in particular.

The post commands an excellent salary plus a generous benefits package.

To find out more about us, this major career move and your prospects with a progressive, expanding organisation, please write to: Jeremy Addison, Air Products Limited, Hersham Place, Molesey Road, Walton-on-Thames, Surrey KT12 4RZ.

AIR PRODUCTS

Investment Accountant / Administrator SEVENOAKS, KENT

We are a leading international mutual life insurance and pensions group, with assets in excess of £7,000 million. Swiss Life Pensions Ltd., a successful company within the group, based in Sevenoaks, provides the fund management services on behalf of our UK pension fund clients.

Due to expansion the need has now arisen for an Investment Accountant/Administrator reporting to the Investment Manager. The successful candidate's responsibilities will include a section of the administration and accounting for our managed funds; to be a responsible member of the team developing the internal computerised systems and for the preparation of management reports and annual accounts.

We are seeking candidates who are either Investment Administrators or qualified Accountants with relevant experience in financial services.

This is a challenging position in the company and the attractive remuneration package will include an assisted mortgage.

Please write or telephone for an application form to:

Mrs. S. Clifton,
Swiss Life Pensions Ltd.,
Swiss Life House, 99-101 London Road
Sevenoaks, Kent TN13 1AX
Tel: (0732) 450161

A member of the Swiss Life Group

Swiss Life

STOCKBROKING JAPANESE RESEARCH TRANSLATOR

A firm of U.K. stockbrokers is seeking for its City Office a Senior Equity/Economics Research Co-ordinator and Translator for its business with Japanese clients in Europe. Fluency in Japanese and English and a comprehensive understanding of business relations with Japanese financial institutions is essential as is experience of the U.K. market.

Applications will be forwarded direct to our client. Please send a comprehensive career resume, including salary history and day-time telephone number, and indicating any companies to whom you do not wish to apply, quoting ref. 2341 to W.L. Tait, Executive Selection Division.

Touche Ross
The Business Partners

11th Floor, 1 Little New Street, London EC4A 3TR, Tel. 01-253 8011

An International Financial Services organisation requires the following staff for its London offices, situated in the West End.

FINANCIAL OFFICER

The successful candidate will be involved in all aspects of asset management including the supervision of existing investments.

Applicants must have a minimum of 10 years' experience in a merchant banking or stockbroking environment with a knowledge of UK and US equity and bond markets.

FINANCIAL ASSISTANT

A recently qualified economics or business studies honours graduate is required to assist management in financial matters relating to the business. The position requires someone who is good with figures and has the ability to write and express himself clearly. Knowledge of computers would be an advantage.

For both the above positions the salary will be determined according to the age and experience of the individuals concerned.

Please apply in writing, including a full CV, to Box T6266 Financial Times, 10 Cannon Street, London EC4A 3DF

Salaried Sales Careers

London Life is continuing its ambitious programme of planned expansion.

Founded in 1806, we are a mutual company, well established as a market leader with a record of growth in the expanding life assurance and pensions field and a full range of high quality products. We have a high reputation for professional service and integrity and are one of the very few companies to pay no commission.

Our expansion has created further career opportunities in the City of London and throughout the UK. We need people, men and women between about 25 and 50, who can aspire to high standards of professional service, yet show the vital quality of personal commitment to success in a selling career. Good presentation, a sound education and a habit of achievement are important but the key qualities are enthusiasm, determination and strong communication skills.

We have a demanding selection procedure, but if you can meet our requirements, we can offer you a five figure benefits package of salary, annual bonus, non-contributory pension and life assurance, mortgage assistance and company car.

We will give you a thorough and professional initial training followed by a career development programme. It is a secure career with the opportunity of personal growth based on performance and the satisfaction of achievement in a socially vital service with one of the most respected companies in the field.

It is not an easy job and we are not promising instant wealth and success - these depend on your drive and determination. But we can provide the opportunity. Are you equal to the challenge? Contact me and we will see if you meet our requirements.

LL
London Life
Jeremy Iles, FIPM (ref. FT),
Sales Personnel Manager,
The London Life Association Ltd.,
100 Temple Street, Bristol BS1 6EA.
Tel: (0272) 279179.

REGIONAL AMERICAN BANK

seeks to further its market presence by appointing a

SENIOR SPOT DEALER

The successful candidate will demonstrate an ability to make a major contribution in a small, professional team. An attractive remuneration package will be offered, reflecting the responsibility of the position.

Please reply enclosing c.v. to Box T6268, Financial Times
10 Cannon Street, London EC4A 4BY

COMPANY SECRETARY

We are a diversified group, family owned, comprising largely autonomous divisions and subsidiaries, whose activities range from the printed paperboard and plastics packaging industries to the manufacture and marketing of fast-moving branded consumer products. Total sales are in excess of £70 million. Applicants should be an AQS and hold an LLB or equivalent degree. They will have a proven track record with a strong commercial approach. Experience will have been gained in the company secretariat function of a medium to large sized company. An ability to communicate effectively is essential.

Reporting to the Chairman, prime responsibilities will include involvement in all legal affairs of the company and the administration of patents, insurances and the pension fund.

Legal work will include trading agreements, acquisitions, employment protection law and general company law.

An excellent salary and attractive fringe benefits commensurate with a senior position in a major company are offered.

Suitably qualified persons should send a full CV to:

The Chairman, Robinson & Sons Ltd.,
Wheat Bridge, Chesterfield, Derbyshire S40 2AD.
Tel: (0246) 31101.

**Robinsons
of Chesterfield**

SHORT DATE GILTS

A well known stockbroker is seeking to increase its Gilt team, 1-2 years experience is necessary.

FRN SALES £ NEG.
Is required to join an active Eurobond Team expanding their sales force.

EURONOTE DEALER £ NEG.
A Dollar Deposit Dealer with experience in Dollar CDs or familiar with similar liability funding instruments is being actively sought by a leading international bank.

EUROBOND DEALER £ NEG.
A dealer with 1-2 years experience in the Yen, DM or Swiss bonds is being urgently sought by an international bank.

PROJECT FINANCE EXECUTIVE £ NEG.
This is a recently created position in a leading merchant bank who are seeking an experienced technician in trade and project related financing.

**OLD BROAD STREET
BUREAU LIMITED**

STAFF CONSULTANTS
01-588 3991

SHEPHERD, LITTLE & WEBSTER LTD., Banking Recruitment Consultants

STERLING DEALER to £20,000
Prime name bank seeks an experienced Sterling Dealer to cover all aspects of the sterling markets. A minimum of three years in a similar capacity is required of applicants who should be in the age range of 25/35 years.

Please contact Paul Trumble

TRAINEE FRN TRADER

A rare opportunity is offered to a recently qualified mathematics graduate by an international Merchant Bank.

Candidates are expected to be bright, highly numerate, and able to cope with the pressures of a high powered trading environment.

Please contact Brenda Shepherd

Ridgway House, 41/42 King William Street
London EC4R 9EN - 626 1161

ENTREPRENEUR WITH FLAIR REQUIRED TO EXPLOIT GROWTH OPPORTUNITIES AT HOME AND ABROAD FOR HEATING MATERIALS.

TRADING MANAGER
Argos Building and Heating Supplies, a sister company to Harp Heating, wishes to appoint a Trading Manager to expand activities in the heating materials supply market operating from the best equipped central heating warehouse in the South East, particularly for the distribution of a foreign combination boiler and tough-jointed heating materials taken in container loads.

The job carries potential director status with a salary negotiable from £15,000 up to £25,000 (depending on experience) + car, BUPA, pension & life cover.

The successful applicant will be an ambitious self-starter and go-getter who can 'deal' at all levels.

Candidates must expect to demonstrate their natural trading skills at interview.

Telephone or write for an application form to the Personnel Manager, Mrs. Moira Crundling, Argos Building & Heating Supplies Ltd., Goldsea Road, Swanley, Kent BR8 8EX. Telephone: Swanley (0222) 65522.

ARGOS BUILDING & HEATING SUPPLIES

GILT EDGED - ACCOUNT EXECUTIVE

Leading member firm of Stockbrokers with substantial outside shareholders requires an experienced Account Executive to join an established gilt edged and allied markets team, servicing their institutional clients.

It is not this firm's intention to be market-makers. This appointment will carry an attractive salary together with profit sharing, and there is a non-contributory pension scheme.

Please write, giving age and full details of experience to: Box T6261, Financial Times, 10 Cannon Street, London EC4A 4BY.

Just because you are out of a job doesn't mean there isn't a job out there for you!

Many people assume that it is impossible to find "the right job for me."

It's so natural to maintain a blinkered view of your own potential that it's hardly surprising if you fail to achieve your true potential.

Chusid Lander can change all that.

We are a group of specialist career consultants whose sole function is to guide executives and professional people to achieve their personal and financial ambitions.

We guarantee that we will commit our time and effort until you are satisfied that your career objectives have been realised.

Then you can really celebrate!

For thirty years we have been striving for the best.

Now it's your turn!

Telephone us to arrange a confidential personal assessment without obligation, or write to:

The Administrator,
Ref CJ/LZ
35/37 Fitzroy Street,
London W1P 5AF enclosing a brief career summary.

LONDON 01-580 6771 NOTTINGHAM 0643 37811
BIRMINGHAM 021-643 8102 GLASGOW 043-522 1152
BRISTOL 0272 22367 BELFAST 0232 621824
MANCHESTER 061-228 0089

CHUSID LANDER

Stockbrokers

Has your firm been acquired by a bank?

Are you satisfied with the prospect of becoming a bank employee? If this prospect does not attract you, and you have flair and confidence in your ability to develop your business, our clients can offer you:

- up to 50% return commission
- access to highly advanced back office systems for executing your business
- the support of an independent, well capitalised and rapidly expanding private client firm.

If you would like to find out more, contact David Robinson of Spicer and Pegler Associates, Friary Court, 65 Crutched Friars, London EC3N 2NP (080 7766) for a confidential discussion.

Spicer and Pegler Associates
Management Services

GOLDMAN SACHS INTERNATIONAL GROUP

LONDON

Funding Manager

Applications are invited for a person as funding manager for our international businesses. Prime responsibility will be to raise finance and to borrow securities to cover short positions, particularly for our gift-edged market making activities. This post will involve close liaison with our traders, salespeople and our financing staff in New York. We run one of the more extensive positions in the market. The successful candidate should have a background in financing and money dealing or funding with either a Bank Treasury Department or a Discount House or previous experience with a Stock Exchange Money Broker. Applications, including full details, should be sent in strict confidence to:

Manager International Treasury
Goldman Sachs International Corp
5 Old Bailey
London
EC4M 7AH



Uncommon capability

Financial Assistant

The Financial Controller of an international group involved in trading and investment banking operations requires a chartered accountant with five to 10 years' post-qualification experience in a commercial or banking organisation to act as his assistant.

The work will include the preparation of consolidated accounts, continual monitoring of the accounts and budgets of the companies within the group and some travel for internal audit purposes.

Salary will be commensurate with the age and experience of the applicant.

Applications should be made in writing and should be sent, with a full curriculum vitae, to:

Box T6267, Financial Times
10 Cannon Street, London EC4P 4BY

LAS INVESTMENT MANAGEMENT LTD

As a result of the continuing growth of funds under management, LAS Investment Management Ltd seeks to appoint:

2 ASSISTANT PORTFOLIO MANAGERS

One to work on the UK and one on the overseas markets. The position would suit applicants with 2 or 3 years experience in a fund management environment who are capable of showing initiative and judgement and taking early responsibility. An attractive remuneration package is offered together with the opportunity to progress in a fast growing company. Applications in writing enclosing full C.V. to:

J. Innes
Staff Manager
LAS Group
10 George Street
Edinburgh EH2 2YH

The LAS Group

HESELTINE MOSS & CO.

Members of The Stock Exchange

CORPORATE FINANCE

We are looking to recruit one or two corporate finance executives. It is important that candidates should have relevant experience of handling flotations of smaller companies.

Please contact:

The Corporate Finance Department
Lawrence House, 3-4 Trump Street, London EC2
Ref: M.L.

Manager of Information Services Management Consulting

McKinsey & Company, Inc., wishes to recruit a Manager of Information Services for its London Office. The individual would preferably have an honours degree in Library and Information Science, or have a good honours degree with considerable experience in information services. The person should have experience with database computer systems (use, evaluation of new systems); should demonstrate capability to assess in-house database systems and specify improvements; and should be at ease in a swiftly moving, deadline oriented, environment. The position therefore will require experienced management skills not just in the day to day operating management of the department but also to ensure its development to meet the challenges of new technology and the needs of a fast growing business.

McKinsey is the pre-eminent management consulting firm in the U.K. and throughout the world. We specialise in advising the top managements of leading companies on important strategic, organisational and operational issues. Our aim is to work closely with our clients to help them make and sustain significant improvements in performance. The firm continues to expand in all areas of operation.

If you are interested in this position and consider you have the necessary qualifications, please send a complete C.V. in the first instance to:

Judy Forghueson Limited
49 New Bond Street, London WYV 5HA
Tel: 01-480 8824

JFL McKinsey & Company

MAJOR EUROPEAN BANK WITH EXTENSIVE WORLDWIDE NETWORK INVITES APPLICATIONS FOR THE FOLLOWING POSITIONS

Manager-Financial Institutions

An experienced professional, well educated, interested to take responsibility for developing business with a range of banking and investment institutions is needed to create a new team. The post requires a comprehensive knowledge of financial institutions. This is a senior position. It will involve liaison with colleagues in Paris and other financial centres and an ability to exploit the opportunities which occur in the financial and investment environments.

Generous remuneration plus the usual benefits.

Investment Officer

The bank is seeking an active person with research/sales experience to promote the London Stock Market to Continental institutions. Applicants, ideally aged 25-35 and fluent in French, should have a strong personality to maintain existing contacts and expand clients' base. The post offers good career prospects.

All applications will be treated in the strictest confidence.

Write Box T6269, Financial Times
10 Cannon Street, London EC4P 4BY

Accountancy Appointments

Financial Accountant North Sea Oil Exploration and Production

Occidental International Oil Inc, a major producer of North Sea Oil, is offering an opportunity for a young and ambitious qualified Financial Accountant to join our London Head Office.

You should have a mature approach and possess a sound knowledge of both US and UK accounting principles with a background involving advanced computer accounting methods. Experience at head office level within the oil business would obviously be an advantage.

As part of our team you will find that initiative and hard work will be well rewarded. We are offering a highly competitive salary together with all of the benefits expected of an international company.

Please write in confidence giving brief career and personal details to: Miss J. Corneliussen, Occidental International Oil Inc, 16 Palace Street, London SW1E 5BQ.



Finance Director (Designate)

City From £25K + Car

Rapid, but controlled and profitable growth has been the hallmark of our client's business, which is concerned with specialist corporate communications. Development of business planning and management information systems, a continuing policy of organised growth and acquisition of suitable companies are all parts of the company's strategic plan, which will lead to an early public flotation.

Professional financial expertise at Board level is now required to follow through and assist with the implementation of the above plans. The Director Designate will clearly play a significant role in the future development of the Company.

The successful candidate will have the technical expertise and familiarity with the City to develop effective systems in preparation for the flotation. In addition, the qualified accountant, who is likely to be aged 30-40, will have had previous involvement with the Communications business (e.g. advertising, PR, publishing).

The salary and benefits package is highly competitive. For the right candidate, participation in the equity will be negotiable.

Please reply in confidence giving relevant career, personal and salary details quoting reference (LM96) to Ann E Bourne, Spicer and Pegler Associates, Executive Selection, Friary Court, 65 Crutched Friars, London, EC3N 2NP.



Spicer and Pegler Associates
Management Services

Financial/Management Accountant

Ambitious young accountant
for interesting commercial role

Neg. £15,000 + car London

Our client is a leading fashion retailer and substantial subsidiary of a major international group. Reporting directly to the Financial Director, in addition to normal accounting duties, prime responsibility will be for the development of management information systems and to contribute generally to the company's commercial decision making.

Aged 25 to 35, you will be a qualified accountant with experience of computerised accounting, enjoy working under your own initiative and be able to demonstrate well developed man management/communications skills.

The role presents a development opportunity with significant career prospects within The Group. Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Lorraine Pulten ref. B. 2256.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Australasia and Asia Pacific.

HAY-MSL

CONFIDENTIAL ADVERTISING

FINANCIAL DIRECTOR

South London & fully negotiable

Our client is one of the world's best known manufacturers of anti-corrosion, sealing and waterproofing products.

The imminent retirement of the present Financial Director has created the need for a dynamic financial executive to take his place. Reporting to the M.D., the person appointed will advise the Board on strategic financial planning with particular attention to maximising return on capital, will manage the company's secretarial and accounting functions and upgrade existing systems, computerising where appropriate.

Candidates should hold a recognised accounting qualification and have experience of financial management in manufacturing industry. They must be thoroughly versed in the preparation and interpretation of financial and management accounts, together with detailed experience of costing, cash and credit control, and development and use of computers.

Remuneration is for discussion over £26K and the package will include a car, an excellent profit share arrangement, and relocation costs if needed.

Please write or telephone for written background information and/or informal discussion to Peter Nielsen quoting Ref No. G-461.

**Grosvenor
International**

Search & Selection, 352/361 Euston Road, London NW1 3AW. Tel: 01-387 6667.

Young Financial Accountant



MANNESMANN
ENGINEERS &
CONTRACTORS

Hammersmith to £18,000

Mannesmann Engineers & Contractors Limited are the UK subsidiary of one of the world's largest engineering conglomerates. They are expanding their activities in the environmental engineering and process fields. They need a young Financial Accountant who, reporting to the Managing Director, will provide the full finance function for the company. Responsibilities will include financial and management accounts, cost analysis, W.I.P., budgeting, forecasting and credit analysis/control.

Applicants will ideally be aged under 32, ACMA/ACCA with experience in project and contract accounting. The company offers a full range of benefits and a clearly identified career path.

Candidates should, in the first instance, write in confidence enclosing CV to Nigel Lilley at CKL Management Services Limited, 299 Oxford Street, London W1R 1LA.

FINANCIAL DIRECTOR

FMCG/Food Processing SE Midlands

This £30 million turnover food processing and distribution company is up-dating its machinery, its techniques, its image and above all its people. Career opportunities are considerable for the FD both within the company and within the parent group, which is a big and growing name in food supply in the UK.

Candidates, male or female, should be chartered accountants or MBA, probably in their 30s. Experience in food processing will be an advantage. A strong contribution will be expected in conventional accounting and DP development, together with a positive general management input.

Salary will be negotiable to around £25,000 with car, health insurance and the opportunity for bonus and share options.

Please send career details - in confidence - to D. A. Ravenscroft.

Ravenscroft & Partners

Search and Selection
20 Albert Square, Manchester M2 5PE

Accountancy Appointments

COMPUTER AUDIT RESEARCH & DEVELOPMENT MANAGER

London to £25,000 Neg + Car

Touche Ross & Co, one of the world's largest accountancy firms, has 22 offices and employs over 2,300 people in the UK.

Due to internal progression, we need to recruit an experienced computer auditor for our National Accounting and Auditing department to take responsibility for:

- the development of computer audit products, procedures and technical publications;
- participating in reviewing the development of computer audit procedures in other Touche Ross offices;
- participating in technical training.

Applicants should have:

- a sound knowledge of accounting and auditing;
- the ability to communicate with non-DP professionals;
- significant data processing experience;
- significant computer audit experience;
- some experience of the design and implementation of new computer audit techniques.

This is a senior appointment requiring applicants of high calibre and career opportunities are excellent. Applicants, who need not be chartered accountants, will probably come from professional accounting firms or internal audit departments, although applicants from other areas will be considered.

Please send a full career résumé with salary history and a statement of how you meet the specification, quoting reference N200, to Tim Haselwood at the address below.

Touche Ross
The Business Partners

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

Divisional Financial Controller

Diploma P.L.C. is a very successful group of largely autonomous companies (turnover £80 million, profit £15 million) operating in electronic components distribution, steel stockholding, steel lintel manufacture and other fields.

We are seeking an ambitious young accountant to join our small head office team to (a) be responsible to the group financial director for the management information systems and accounting standards of a group of our subsidiaries and (b) provide accounting support to subsidiaries' management for development and expansion.

The successful candidate is likely to be a graduate qualified accountant with several years' experience in industry including installation or development of computing system, aged 25 to 35 and willing to travel.

An attractive remuneration package, including a car, is available.

For further details please write with c.v. to:

A. M. R. Parkinson, F.C.A., Director, Diploma P.L.C.
20 Buxhill Row, London EC1X 5LP

An exceptional future in Computer Audit

Opportunities with
Arthur Andersen's growing practice

London

up to £20,000 + car

We are committed to a planned programme of expansion in this growing business area, and our priority is to recruit a number of ambitious, high calibre individuals who intend to use their creativity, technical skills and professionalism to better career advantage.

You should be a Chartered Accountant with computer audit experience gained either within a major company or a professional practice. You will have the ability to:

- * Solve complex problems and contribute to new software development.
- * Provide crucial expertise to the audit process on a diverse range of assignments.
- * Market our computer-related services.

You will have the opportunity to stay aware of the latest computer audit techniques together with development of the use of microcomputers to obtain greater audit efficiency.

We offer high rewards and rapid career development and you can be sure of progressing as far as your talent and commitment dictate.

Please apply in writing, with a detailed CV and our reference number clearly marked on the envelope to: David Ashton, Partner-in-Charge, Computers in Audit, (ref: 1822), Arthur Andersen & Co., 1 Surrey Street, London WC2R 2PS.

**ARTHUR
ANDERSEN
& CO.**

Project/Systems Accountant

W. London

c£20,000 benefits + car

Our client is an international leader in the creation, marketing and installation of major management support software for large IBM data centres. The company has created spectacular growth worldwide; outside the US this has been generated by the London headquarters with the full commitment of the US parent.

The current requirement is for a qualified accountant with experience of systems based on major mainframe accounting packages, gained within or outside the profession. His or her main task will be to develop the company's accounting and reporting systems to serve the continuing growth requirements of the US parent company, the international

headquarters in West London and local operating units. Systems are currently mainly micro-based but are being transferred to an IBM mainframe. In addition the position will involve financial analysis and special projects. The successful applicant will be aged 28-35 years and will be qualified as an ACA or ACCA. Long term career prospects are exceptional within this dynamic and rapidly growing group.

Candidates should contact Geoffrey Rutland ACA, ATII, Executive Division, enclosing a comprehensive c.v., quoting ref. 291, at Michael Page Partnership, 39-41 Parker Street, London WC2B 5LH.

Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

Appointments Wanted

FCCA

Former partner in major international accounting firm has recently taken early retirement. Based for past 21 years in South America, has fluent spoken and written Spanish. Seeks position (not necessarily financially orientated) in Spain or Portugal from early 1986.
Tel: 01-570 2340

Financial Control - Oil sector

Central London

£18,000 - £20,000 + Car

A high level of communicative skill and the ability to supervise staff are the essential prerequisites for this opportunity with a leading international oil company.

Reporting through to Paris, this is a key function encompassing the entire financial reporting requirements of the UK company. It also involves a high degree of liaison with non-accounting personnel, particularly with regard to the implementation and choice of new computer systems, whilst simultaneously controlling a team of three supervisors.

Candidates must be qualified accountants, probably ACA's with good post-qualification experience in a commercial/industrial environment and likely to be in their mid to late 20's.

For further information please telephone Eileen Davis on 01-734 0493 or write giving brief details to the address shown.

Robert Walters Associates

Recruitment Consultants

54-62 Regent Street, London W1R 5PL
Telephone: 01-734 0493.

DIRECTOR OF FINANCE

South East up to £30,000 + car

Hasler (Great Britain) Limited, a subsidiary of a well-established European Group, designs and markets telecommunication and office products for home and export markets. Considerable success over the past two years in traditional fields of activity has led to a drive for expansion and new product development.

The Company now wishes to appoint a Director of Finance, reporting to the Managing Director, who will be responsible for investigating and improving existing accounting and control systems and advising on the financial and taxation implications of expansion plans. It is expected that the person concerned will also possess the maturity and judgement required for a broad contribution to the running of the business.

The requirement is for a fully qualified accountant who has gained several years' management experience in a well structured industrial or commercial environment, preferably associated with high technology products. The position calls for strong analytical powers, together with the personal qualities necessary to bring about change in a tactful and effective way.

The preferred age range is 35 to 45. A negotiable remuneration package of up to £30,000 is offered, together with a car, private health insurance and other benefits. A knowledge of German or French would be a distinct advantage.

Please reply giving full details of your career history to the Company Adviser, Mr H. P. Barnes, P.O. Box 145, Sutton, Surrey SM2 6HH, or telephone 01-842 7136 (incl. Saturday) for further information.

Hasler

ACCOUNTANCY APPOINTMENTS

appear every
THURSDAY

For further information contact:
LOUISE HUNTER
on
01-248 4864

Financial Controller International Bank

London

c.£30,000+car+banking benefits

Our client is a major overseas bank with the growing London branch assuming an increasing international importance.

The financial controller will be required to manage the accounts department and also develop budgets, forecasting, tax planning and related activities. There is a particular requirement to work alongside other executives and to be part of a management team that will help develop the activities of the bank.

Applicants must be qualified accountants aged 35 to 45, with international banking experience which should include EDP involvement. Recent tax experience will be a particular advantage as well as a sound understanding of treasury matters.

This post offers advancement potential.

Please write as soon as possible to M J B Ping enclosing a detailed curriculum vitae and quoting reference F/415/P at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Ernst & Whinney



REED REGIONAL PUBLISHING

The continuing development of our Regional newspaper interests has resulted in the need to fill two key appointments -

Finance Director Colchester

Essex County Newspapers, publishers of one evening and eight weekly newspapers, seek a Finance Director. He/she, a qualified accountant, will be responsible to the Chief Executive for all financial and statutory functions, and as one of four executive directors will be expected to make a commercial contribution to the development of the company in a highly competitive market. Experience as a financial controller, preferably in publishing, is essential. Knowledge of secretarial procedures and computer systems are also key factors. Age 35-40. Salary range £20,000-£25,000 plus company car.

Apply to: R. T. Mollitt,
Essex County Newspapers Ltd,
10 Culver Street West, Colchester, Essex CO1 1PE

Group Financial Director Birmingham

Birmingham Daily News, publishers of the country's first free daily newspaper, are looking for a Financial Director to be one of the team to achieve continued growth of this new concept in the newspaper industry. The successful candidate, a qualified accountant, will demonstrate effective financial management, knowledge of computer based systems and the ability to make a commercial contribution at Board level. Age 35-40. Salary range £20,000-£25,000 plus company car.

Apply to: P. S. K. Harris, Chief Executive,
Daily News Group Ltd, 78/79 Francis Road,
Edgbaston, Birmingham B16 8SP

EUROPEAN OPERATIONS ACCOUNTANT CENTRAL BIRMINGHAM

Overseas Travel £ Negotiable + Car

U.S. Gold is one of the UK's most successful computer games licensor, publishing and marketing companies. Continued expansion in Europe has created the need for an operations assistant. The appointment calls for a young, commercially aware and ambitious ACA aged 26-30, preferably with business services experience gained in one of the large accountancy firms, to monitor and analyse the performance of the newly formed European subsidiaries.

The person will be responsible for preparing an extremely wide variety of management reports, both regular and ad hoc and providing verbal and written briefs and critical analyses for use by senior management in Birmingham, Nice, Düsseldorf and Madrid.

The successful candidate needs a flexible and creative approach and the ability to match these with self motivation and hard work. In addition to a negotiable salary, other benefits include pension/life assurance scheme, BUPA and performance bonus.

Please reply in confidence giving concise career, personal and salary details to:

U.S. GOLD
Al American Software

Anne Brown, Personnel Director
U.S. Gold Ltd
The Parkway Industrial Centre
Benson Street
Birmingham
B7 4LY

Young Chartered Accountant

London EC4

To £16,000 + benefits

Our client is a prestigious British Public Group (T/O £200m) a recognised leader in the provision of a wide range of communication services.

This vacancy arises due to internal promotion resulting from continued growth and will ideally suit a Chartered Accountant, aged 25-27, with experience of a large professional firm.

Based in Head Office he/she will assist the Group Controller in a wide range of duties including the preparation of group consolidated accounts for publication, management reports, budgets and forecasts, involving close liaison with auditors and financial executives in the operating companies. There will also be involvement with other departmental specialists including Treasury, Taxation and Computer Services and a requirement to assist in the further development of computerised accounting within Head Office.

The group offers good career prospects combined with the usual large company benefits.

Applications under Ref. No. RC231 to:

Miss Marion Williams,

4 Bouverie Street, London EC4Y 8AB. Tel: 01-353 5272

The Extel Consultancy

FINANCIAL CONTROLLER

£17,000 to £19,000 pa

South West London
PC Communications Distributor

A young company, growing very fast in the field of PC Communications, seeks a highly motivated qualified Accountant to act as Financial Controller to take over the accounting and control function, following a substantial venture capital injection. Reporting to the Managing Director, you will participate in the early stages of a company that is already having a substantial impact on its market.

Please contact:

ROBERT ASHBY
Managing Director
Robert Ashby & Company
01-229 3970

Accountancy Appointments

SENIOR PLANNING ACCOUNTANT

ACA's or MBA's from 27

To £19,000+ Car Central London

Our client is a sizeable and profitable international public group with major interests in the energy, transportation and leisure sectors seeking to recruit a Senior Planning Accountant.

Responsibilities include; development of the planning function using sophisticated computerised techniques (training will be provided), the provision of financial reports to shareholders, special project work and deputising for the Financial Controller when necessary. Excellent opportunities exist for further advancement.

Candidates (male or female) ideally should be graduates/MBA's with some years' post qualification experience in commerce and possess first class personal, communication and man management skills.

For more information please contact George Ormrod B.A. (Oxon) or Stephen Hackett B.A. (Oxon) on 01-836 9501 or write with your C.V. to Douglas Llambras Associates Limited at our London address quoting reference No: 5876.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
163a Bath Street, Glasgow G2 4SQ. Tel: 041-226 3101
India Buildings, Water Street, Liverpool L2 0RA. Tel: 051-227 1412
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553

DOUGLAS LLAMBRAS
Douglas Llambras Associates Limited
Accountancy & Management
Recruitment Consultants



Financial Controller

London
Competitive salary plus
full benefits

Two major subsidiaries of Mercantile House Holdings plc - Fundamental Brokers Inc, the largest broker in the US Government Securities Market, and M. W. Marshall and Co Ltd, leading international foreign exchange and money broking group, will shortly be operating as an Inter-Dealer Broker in the re-structured Gilt-Edged Market. The new joint venture, to be known as Fundamental & Marshall Brokers Ltd, wish to appoint a keen and ambitious financial executive to this new position. Working very closely with the newly appointed Chief Executive, the successful applicant will specify,

develop and set up the new organisation to facilitate the accounting, processing and settlement functions of the broking operation.

Applicants aged 30/40, most likely Chartered Accountants, will have extensive DP systems expertise, plus a minimum of 4/5 years employment in the financial services sector and preferably from within a group operating as traders in the money/financial markets and more particularly as dealers in related instruments such as CDs, Eurobonds etc.

In addition to salary, which will not be a limiting factor to the right applicant,

full benefits will be provided. This appointment is considered to be a distinct career opportunity with the company which intends to become the major force in this new and exciting market.

Candidates can make application by sending a full CV including current salary and quoting MCS/7176, to Michael R. Andrews, Executive Selection Division Price Waterhouse Management Consultants Southwark Towers 32 London Bridge Street London SE1 9SY

Price Waterhouse



Senior Finance Appointment

Inland Revenue

The Finance Division of the Inland Revenue have introduced a completely new management accountancy system based on an integrated general ledger which runs on an IBM 3084 mainframe.

We are developing a new system of responsibility budgets and also automating a number of subsidiary accounting systems. If appointed you would be responsible for managing the existing accounting function including the production of the Departments' statutory accounts. You would also be responsible for planning and organising the work of a multi-disciplinary team to deal with new developments.

Professionally qualified in accountancy (CIPFA, CACA, ICHA or Chartered), you must have sound experience of the development and operation of computerised management accountancy systems, familiarity with budgetary control in large service organisations and appropriate managerial and project control experience.

The post is based in London, although you will also spend a considerable amount of time in Worthing, Sussex.

SALARY: within the range £18,365 - £24,290 according to qualifications and experience. Relocation expenses up to £5000 may be available.

For further details and an application form (to be returned by 3 January 1986) write to Civil Service Commission, Alconon Link, Basingstoke, Hants RG21 1JB, or telephone Basingstoke (0256) 468551 (answering service operates outside office hours). Please quote ref: G/6735.



The Civil Service is an equal opportunity employer

Finance Director

London

Up to £30,000 + Profit Share + Car

Our client is a major construction group whose policy is to decentralise authority and responsibility to individual companies. An exceptional opportunity has arisen in London for a Finance Director to join the Board of an important subsidiary with a turnover of £30m.

This appointment carries responsibility for maintaining and improving the complete financial management function within a rapidly growing and successful company.

Candidates, probably aged 35/45, must be qualified accountants with considerable experience at senior level, preferably in construction or related industry. In addition to sound practical experience of managing an accounting operation, candidates should have the maturity and commercial judgement to make a significant contribution to the general management of the business.

The remuneration package is flexible and includes a profit sharing scheme which can add substantially to total earnings. Relocation expenses will be reimbursed where appropriate.

Please write in confidence, with brief career details, to Peter T. Willingham (Ref LM97) Spicer and Pegler Associates, Executive Selection, Friary Court, 65 Crutched Friars, London EC3N 2NP.



Spicer and Pegler Associates
Management Services

Financial accounting manager

Home Counties, to £20,000 + car



Our client is a £100m + company which makes a significant profit contribution to a major blue-chip British Group. World leaders in a highly competitive market producing electronic capital equipment for commercial end users, they have sustained impressive growth based on export achievement.

Responsibility is for effective financial control including the production of statutory accounts, treasury and foreign exchange dealings. This is a position involving considerable exposure at group level ensuring corporate policies are applied.

Aged over 28, you will be a qualified financial accountant having ideally qualified with a large professional firm. Your experience should include involvement with companies operating in international financial and business markets. Familiarity with sophisticated in-house financial systems is essential.

Résumés, which will be acknowledged and forwarded to our client, to David Owens, Executive Selection Division, Ref. D164. Please indicate companies to whom your details should not be sent.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants
22a The Ropewalk
Nottingham NG1 5DT

Chief Accountant

c.£17K plus car

Sussex

Our client, part of a major British Group, is a world leader in the design and manufacture of high technology products. With turnover currently in excess of £50 million, the company has a full order book and is poised for substantial growth.

Internal promotion has generated the need for a Chief Accountant reporting to the Financial Controller. The successful candidate will be capable of making a positive contribution to cost control programmes and systems development, and responsibilities will cover the financial accounting function, budget preparation, group cash management and foreign exchange dealings.

Eligible candidates will have an ACA or ICMA qualification with some industrial background and knowledge of computerised systems, ideally aged late 20's. Candidates direct from public practice with extensive industrial audit experience, particularly within a high technology environment, will be considered. In addition to salary, benefits are those normally associated with a large progressive organisation.

Applications in confidence to Brian Luxton under ref: 6818.

Mervyn Hughes
Alexandre Tice
(International) Ltd.
Management Recruitment Consultants



37 Golden Square,
London W1R 4AN.
Tel: 01-434 4091

TOWNSEND THORESEN

FINANCIAL CONTROLLER

Portsmouth

c.£18,000+car+benefits

Thoresen Car Ferries Limited, a wholly-owned subsidiary of European Ferries Group PLC and the leading ferry operator in the western sector of the English Channel, requires a Financial Controller with computerised accounting experience gained in industry or commerce.

Reporting to the Managing Director, he or she will be responsible for all financial and accounting activities and for controlling the development of new computer-based information systems.

The ideal candidate will be a qualified accountant aged 30-40 and as a key member of the management team will have the ability to communicate effectively with non-financial managers. Benefits include a company car and travel concessions. Relocation expenses will be paid where appropriate.

Applications in confidence, giving full personal and career details, should be sent to:

W. Carswell, Personnel Manager
THORESEN CAR FERRIES LIMITED
29/31 Kingston Crescent
Portsmouth PO2 8AA

Finance Director

W. London c. £25,000 + Car + Stock Option

This is an ideal opportunity for the entrepreneurial financial manager who relishes the challenge and rewards which may be obtained from a close involvement with a company in a "Green Fields" situation.

Our client, a European hi-tech company is establishing offices in France, Germany and the U.K. to develop and market a new concept in CAD/semi-conductor technology.

Candidates should be qualified accountants, aged 30-34, with experience of international operations, some experience gained outside of public practice and with the ability to communicate effectively with non-financial personnel. The successful candidate will be ambitious, highly motivated and will have interest in capital appreciation.

One of the main attractions of this position is that the appointee will be expected to participate fully in the management of the company.

Please write, enclosing a career/salary history and a day-time telephone number to Richard Norman FCA, quoting reference 1/2328.

EMA Management Personnel Ltd.
Hulton House, 20/25 Hulton, London EC1N 2JD.
Telephone: 01-242 7773 (24 hour).

dubilier

Group
Financial
Director

Reorganisation has created this opportunity for a high calibre Financial Director in a group concerned in the manufacture of electronic components.

You will head up the small team of young, energetic and well qualified professionals at the corporate headquarters in Abingdon, responsible for financial planning and control.

Your role will be to coordinate the financial planning and budgeting processes for the four major divisions and to work closely with senior management and the Board in reviewing these plans and monitoring performance. You will also be involved in acquisition studies.

Aged around 40 you will be a qualified Chartered

Accountant with proven ability in financial analysis and appraisal and be able to demonstrate a record of achievement in devising and implementing strategies for mergers, acquisitions and the funding of such projects.

This is a challenging role which will be of particular interest to a capable all round Executive with significant presence and leadership skills who is seeking to join an ambitious and dynamic plc management team.

An excellent compensation package will be offered. Please forward C.V.'s to the Group Managing Director, Dubilier plc, Dubilier House, 207 Radley Road, Abingdon, Oxon.

HOTEL FINANCIAL CONTROLLER

Professionally qualified controller sought for substantial London property. Candidates having at least five years experience at Controller Level with significant and reputable Operator, only considered. Successful applicant will be selected no later than mid-December and should ideally be available to commence duties in January 1986.

Above average package offered.

Reply in strictest confidence to Box T6260
Financial Times, 10 Cannon Street
London EC4P 4BY

FINANCIAL CONTROLLER

Jaeger, the international fashion group renowned for the marketing and manufacture of high quality ladies and menswear, is seeking a Financial Controller for its UK Ladies' Division following internal reorganisation.

The key functions are to prepare overall financial plans for the division and assist the Divisional Managing Director with all aspects of financial policy and planning. The successful applicant will be responsible for budget preparation, monitoring results and the maintenance of sophisticated management control systems and internal audit procedures. He/she will also be involved in the development of effective stock control and computerised accounting systems. Previous experience of data processing and financial modelling would be particularly beneficial. As part of the finance team based at Head Office, the Financial Controller will report directly to the Group Financial Director and will liaise closely with the Divisional Managing Director and his senior executive team.

Applicants should be of graduate calibre with a professional accountancy qualification and must have a minimum of four years' experience in a management accounting environment. Promotion prospects are first class with both the Jaeger Group and the parent company, Coats Patons.

A highly competitive salary will be negotiated together with a comprehensive benefits package including executive car, pension scheme and staff discounts.

Candidates should write with full C.V. in strictest confidence to:

Mr Ken Jackson, Personnel Director, Jaeger Limited, Jaeger House, 57 Broadwick Street, London W1V 1FU.

JAEGER

Accountancy Appointments

"MANAGEMENT CONSULTANCY WITH TOUCHE ROSS HAS EXCEEDED ALL MY EXPECTATIONS OF PERSONAL ACHIEVEMENT AND INTELLECTUAL CHALLENGE."

RICHARD LEE

Richard Lee has a B.Sc. (Hons), Combined Science and is a Chartered Accountant. He is 29 years of age and held various audit and financial accounting appointments in commerce before joining the Management Consultancy practice of Touche Ross in 1984.

Over the past 12 months he has been successfully involved in a variety of complex problem solving assignments, providing him with a much broader base of business experience than would have been possible from a pure line finance role. His expectations of professional challenge and achievement have been more than fulfilled.

A summary of three of Richard's projects during his first year with us may help you decide if a career with Touche Ross is worth looking into.

Oil & Gas Development

Recommendation for computerised accounting package. Assignment required understanding the accounting peculiarities of the industry; ascertaining objectives of system; assessment of

available products; assistance with implementation.

Nationalised industry

Review of cash management techniques. Assignment involved identifying strategic objectives; assessment of cash flow information system; development of a system based upon inventory management techniques requiring the modification of a theoretical basis to a practical solution. System recently introduced for field testing and evaluation.

Charitable body

Review of the structure, management and objectives of conservation and environmental body. Assignment involved assisting with overall review; analysing bookkeeping and accounting procedures; financing and grant aid; fund raising.

We are one of the fastest growing of the international consultancies, also one of the most successful. Our structure is open, informal, geared to strategic self direction. And our

excellent training programme will ensure rapid development. In fact, high achievers can confidently expect to progress to partnership in 3-4 years. Initially, your good first degree and relevant qualification and experience will earn you a very competitive salary, plus a car.

So, if you're a high calibre business professional whose specialisation covers accountancy or economics, it could make sound commercial sense for us to meet, and for you to follow in Richard Lee's footsteps.

Please write (in absolute confidence) with full CV to: Michael Horton, Ref. 2344, Touche Ross & Co., Hill House, 1 Little New Street, London EC4A 3TR. Telephone: 01-353 8011.

Touche Ross
Management Consultants

Financial Control... can you meet the challenge?

Management Consultancy
Newcastle/Middlesbrough
up to £25,000 + car

Have you the drive, ambition and technical abilities to succeed in the highly competitive field of management consultancy?

Can you solve problems and identify opportunities as part of a multi-discipline team which could include specialists in, for example, corporate strategy, marketing, manufacturing, computing and human resources?

Our financial control consultants advise on all aspects of finance, including:-

- Cost control systems and cost reduction procedures.
- Capital expenditure appraisal and project control.

- Development of business planning methodology and information systems.
- Treasury/currency management.
- Financial modelling.

Only those individuals who combine a successful track record in financial control with a high level of drive, self motivation and commercial flair will meet the challenge.

Ideally you will be aged 25 to 35 with sound technical skills and strong personal qualities backed by considerable achievement in line management or a specialist consultancy.

We offer you the opportunity to

make the most of your abilities in a fast moving commercial environment. The rewards are excellent in terms of remuneration and career advancement. Training is tailored to suit individual needs and your future prospects depend entirely on your own merits.

If you believe you can meet the challenge write, enclosing full career details quoting MCS 1/12/85 to:

David Stonehouse
Price Waterhouse
Management Consultants
Sun Alliance House
35 Mosley Street
Newcastle-upon-Tyne NE99 1PL

Price Waterhouse

NATIONAL BUS COMPANY Company Secretaries/ Chief Accountants

(Finance Directors Designate)
£15,000 to £20,000 + Car

Consequent upon the Transport Act 1985, National Bus Company will be forming further subsidiary companies and, in some instances, will be re-establishing local company accounting teams.

Qualified accountants with several years broad commercial experience involving the use of computer based systems, are being sought to establish and, subsequently, lead these new company based financial units. These will be based at Barnstaple, Bournemouth, Bristol, Canterbury, Chelmsford, Fareham, Leicester, Milton Keynes, Oxford, Southampton, Taunton, Weston-super-Mare, Witney and Worcester. There will be a number of similar posts in Central and Northern England and Wales at locations yet to be defined for which applications are also invited.

The successful applicants must have the ability to become Finance Director of their respective companies, and as a senior member of the management team, will be responsible to the Company Board for a wide range of activities

including financial advice and information, management and statutory accounting, budgeting, costing and financial appraisals. Formal company secretary duties will also be performed.

Age is not a critical factor, provided that the person has drive, and initiative to cope quickly with an exciting new era in bus and coach operation involving, amongst other factors, deregulation and privatisation.

Salary will be in the range of £15,000 to £20,000 per annum, depending on location and size of company. A car and pension scheme membership are offered.

Persons interested in these posts should submit an application, under private and confidential cover giving particulars of age, education, training, qualifications and family (number of children and ages); a summary in chronological order of experience with particulars of past and present appointments; current salary and any locational preference, to: Mr. D. Wilson, Director of Personnel Services (ref FT), National Bus Company, 172 Buckingham Palace Road, London SW1W 9TN.

NATIONAL

National Bus Company is an Equal Opportunity Employer

Microcomputer Consultancy

A Management Opportunity

Manchester based

c.£20,000 + car

Arthur Andersen & Co. is one of the world's leading firms of chartered accountants and management consultants.

Our Microguide service provides independent, expert advice to small and medium sized clients seeking to install microcomputer systems. Demand for our services is increasing significantly in both London and the regions. We therefore wish to appoint a microcomputer professional to help manage Microguide in the North West and the Midlands, and to develop new business nationally.

This role calls for marketing and promotional flair, first class communication skills and proven management ability. The successful candidate will be looking for rapid career advancement within an international firm. Our policy is always to select individuals of the highest calibre and reward them accordingly.

You should be a graduate, aged in your late 20's or early 30's and should preferably have a formal accounting qualification. Sound technical knowledge of hardware and software and familiarity with the microcomputer market are essential, together with experience of business applications encompassing single and multi-user systems, networks and data communications.

Relocation assistance will be provided where appropriate.

Please apply in writing, with a detailed CV and our reference number clearly marked on the envelope to: John Maxted, (ref. 1823), Arthur Andersen & Co., 1 Surrey Street, London WC2R 2PS.

ARTHUR ANDERSEN & CO.

Group Finance Director

Publishing

Central London

This will be your most stimulating and challenging role to date, providing both practical and strategic advice to a variety of creative and independently minded book publishers. Indeed, a significant role will be played in the future commercial development and profitable growth of this important group of companies, comprised of four leading publishing houses, Chancery and Windus, Virago, Bodley Head and Jonathan Cape Limited.

Reporting to the Chairman, you will be responsible for all financial affairs of the Group which has experienced significant growth in recent years and has ambitious plans for the future. Your influence will be used with key decision makers to tighten financial controls, develop modern computer based management information systems and forge good relations with relevant outside institutions. The existing Group Finance Director will continue to run the day to day accounting affairs of the Group until his retirement next year.

Candidates, who are likely to be aged 35 to 45, must be qualified accountants with proven financial skills at board level. Previous experience in the industry is not essential. Of more importance will be your ability to be politely but constructively and creatively intrusive in all areas of the business. A highly competitive salary will be negotiated with the chosen candidate.

Please apply in confidence giving relevant career, personal and salary details quoting reference (LM93A) to Peter T. Willingham, Spicer and Pegler Associates, Executive Selection, Friary Court, 65 Crutched Friars, London, EC3N 2NF.



Spicer and Pegler Associates
Management Services

FINANCE DIRECTOR

Gifts/Packaging

We seek a qualified accountant for one of our major subsidiaries (turnover £12 million) with experience in importing, foreign exchange management, computer applications and assembly manufacturing. Apart from total responsibility for financial control the main requirement is the ability to work as a

Blackpool

director team member in achieving the further growth of the company through maximising return on capital employed. Salary, etc., negotiable.

Applications in the first instance to Doug Mayman, Baird Textile Holdings Limited, Broadstone House, Broadstone Road, Reddish, Stockport, Cheshire SK5 7DL.

AS FROM 1st JANUARY 1986 the rates for APPOINTMENTS ADVERTISING will be

£41 per single column centimetre and £12 per line. Premium positions will be charged £28 per single column centimetre. For further information call LOUISE HUNTER on 01-266 6864 or TREVOR PUNT on 01-256 9763

Financial Controller to £24,000 plus benefits Berkshire

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Charity Appointments

Thursday December 5 1985

Telefónica to raise
Pta 36bn in one
for nine rights issue

BY DAVID WHITE IN MADRID

COMPANIA TELEFONICA Nacional de España, the Spanish semi-state telecommunications company, yesterday announced its third capital increase in just over a year and a plan to open the capital of one of its industrial subsidiaries, Amper, to Telefónica shareholders.

Details of the PTA 36bn (\$230m) equity-raising operation, which the company claims is the largest yet made on the Spanish market, were leaked well in advance of the official announcement. Mr Luis Solana, Telefónica's chairman, said that the leak had probably come from the Telefónica board but said this was "difficult to avoid."

Earlier this year, Pta 28bn worth of Telefónica shares were placed on the London, Paris, Frankfurt and Tokyo stock markets, the first time the company has been quoted outside Spain.

The Telefónica rights issue is on the basis of one new share for every nine already held, at a price of Pta 45 per Pta 500 share, or 90 per cent of nominal value. This compares with a recent stock market level of around 140 per cent.

The novelty of the issue is that subscribers will be entitled to acquire shares in Amper, a producer of telephone equipment, on the basis of one Amper share, at 150 per cent of nominal value, for every

20 new Telefónica shares. This is the first step Telefónica has taken to open up the ownership of its industrial group.

It is planned to introduce Amper shares on the stock market in the first half of next year. The company is 84 per cent owned by Telefónica, with the remainder in the hands of Spanish banks. The company moved out of the red last year to make a profit of Pta 138m, which is expected to be doubled this year and doubled again in 1988. Sales this year are put at Pta 7.2bn.

Telefónica, which said it would keep at least a 10 per cent holding in Amper, said its industrial subsidiary as a whole was expected to make a Pta 2.6bn profit this year compared with Pta 2.3bn in 1984 and Pta 2.8bn loss the previous year, on sales 17 per cent up at Pta 58bn.

Telefónica itself, which announced that it was repeating its interim dividend of Pta 25 per share, is expecting a 20 per cent increase in net profits to Pta 38bn this year on revenues some 13 per cent higher at Pta 390m.

Subscriptions to the Telefónica issue are open from December 15 to January 15, 1986.

Alitalia share sale, Page 23

Bank of BC back in profit

BY BERNARD SIMON IN TORONTO

BANK of British Columbia appears to have overcome the difficulties faced by western Canadian financial institutions and has returned to profitability after a loss in 1984.

Net earnings reached C\$7.5m (US\$4.4m) on 14 cents a share, in the year to October 31, compared with the previous year's loss of C\$7m or C\$1.96 a share. Fourth-quarter profit was C\$1m or 3 cents a share.

A capital restructuring earlier this year and an infusion of new management have helped the bank weather withdrawals by depositors concerned about the stability of regional banks in western Canada.

Bank of British Columbia has benefited from its relatively stable retail base and also ascribed its turnaround to a substantial growth in fee income and a general increase in banking operations.

Italex floater lands in difficult market

THE EURODOLLAR floating-rate note market is not in good shape at the moment, writes Maggie Urry in London.

Investors are lightening their portfolios in the run-up to the year-end because they find it expensive to fund holdings. Investors have picked on paper issued by particular types of borrower to sell.

Malaysian floaters have fallen sharply in the past couple of days in response to the difficulties of the Kuala Lumpur and Singapore stock markets. US savings and loans institutions' and banks' issues have also fallen. Only Sweden's floaters have shown much strength as that borrower keeps calling its debts.

It was not an easy day for Morgan Grenfell to launch a \$250m deal for Italex, a single-purpose company, which will use the proceeds to refinance Italian export credits to Brazil. The loan to Brazil will be guaranteed by Sace, the Italian export credit agency.

As Italex is matching the floater with the loan, the floater is nearly as good as backed by Sace but is not directly guaranteed by Italy. It takes dealers some time to assess the risk in such an issue.

As a result, the terms on the floater are more generous than the Italian Government itself would say. The issue matures in July 1992, although sinking fund cuts the average life to 4 1/2 years. The coupon is 1/4 per cent above six-month London inter-bank offered rate (Libor) and issue price par. Fees total 30

basis points. The issue traded just within the fees.

No fixed-rate Eurodollar deals appeared yesterday. After a firmer trend in the morning, prices fell back when the New York market opened weaker.

Merrill Lynch (Suissse) launched an issue of about 105,000 dollar warrants, priced at \$27 each, to buy a Swiss franc floating-rate note issue for Bergen Bank. The floater will pay 1/4 per cent above three-month Libor and matures in January 1991. There are four quarterly exercise dates and 50 warrants are needed to buy one SFr 50,000 note. The warrants were quoted as high as \$33.

In the Canadian dollar market, Orion Royal Bank launched a C\$75m seven-year deal for Chrysler Financial with a swap into US dollars. The coupon is 1 1/2 per cent and the issue price 100 1/4. The coupon is higher than recent deals have carried, but the borrower is rather well known in the market. The issue started slowly and was offered at a level equal to the full 1 1/2 per cent fees.

The Eurosterling market saw another straight issue yesterday, a C\$50m 10-year deal for the European Investment Bank. There is a C\$25m tap and the payment date is not until January 30 1996. Baring Brothers set the coupon at 10 1/4 per cent and the issue price is 99 1/4, terms regarded as tight although offering a better yield than some older EIB issues. Fees total 2 per cent and the bonds were trading around a 1 1/2

William Hall in New York looks at the restructuring plans of BP's Sohio subsidiary
Billion-dollar bill to wipe out the past

SCARCELY a week goes by on Wall Street without the news of another big corporate restructuring accompanied by massive write-offs.

Nevertheless, this week's extensive housecleaning operation by Standard Oil Company of Ohio (Sohio), British Petroleum's majority-owned US subsidiary, is a stunning reminder of just how much money can be lost at the stroke of an accountant's pen.

Sohio, which has a net worth of about \$8bn, is taking a \$1.5bn after-tax charge, a large part of which covers the restructuring of previous equity diversification moves outside its traditional oil business. Many big US oil companies have already announced cutbacks in similar areas but only Atlantic Richfield, nervous that it would fall prey to a corporate predator, has announced larger write-offs.

The announcement of the charge and the news of a \$400m modernisation of the group's Utah copper division, and a cutback in capital spending, were welcomed by Wall Street, where analysts argued that Sohio was finally taking steps to put its house in order, and not before time.

Sohio's main problem has been its Kennecott copper-mining sub-

sidary, which is the largest US copper producer. It bought Kennecott for \$1.8bn in 1981 close to the peak in metal prices and since then has run up losses of over \$550m as they have declined.

There has been talk that Sohio might try to sell Kennecott or spin it off to shareholders, as Amoco did recently with its Cypress Minerals subsidiary. Instead, Sohio appears to have embarked on a last-ditch effort to make its mining operations profitable even at current depressed world prices.

It has already modernised its two smaller mines in Arizona and New Mexico and has now committed itself to modernising its Bingham Canyon mine in Colorado, the biggest copper mine in the US. However, its \$400m investment is considerably less than the \$1bn-plus which was being talked about at one stage.

The project will be completed by late 1988 and will allow annual production of 18,000 tons of refined copper, plus gold, silver and molybdenum by-products. Mr Alton Whitehouse, the 58-year-old chairman of Sohio, says that the two smaller mines are operating at break-even and Sohio is confident that its Utah operation can be turned round.

Major oil company write-offs		
Company	\$m (after tax)	Date
Amoco	785	Aug 84
Amoco	1500	May 85
Sohio	1150	Dec 85
Sohio	185	Jan 86
Tenaco	765	Nov 84
Mobil	500	May 85

"The Utah property contains high-quality reserves that we believe are competitive on a world scale," Mr Whitehouse said.

Restructuring of Sohio's mining operations, combined with cuts in other parts of the group and a reduction in capital spending of about one fifth, should boost Sohio's annual cash flow of about \$3bn by more than \$500m in the coming year. It should also contribute an extra \$175m to 1986 earnings which analysts had earlier estimated at around \$1.5bn or \$6.40 per share.

Sohio's \$1.5bn charge will more than wipe out the group's profits for the first nine months of 1985 but Wall Street analysts are more interested in what Sohio did say, when it unveiled its housecleaning operation. This probably explains why Sohio's shares rose on the day of

the announcement while those of its parent, BP, fell.

Unlike some of its rivals which have sweetened the news of large write-offs with dividend increases and share buy-back programmes, Sohio was silent. More than a year has passed since Sohio increased its dividend. It is considerably longer since it offered to buy back a sizeable block of its shares, even though its cash flow is healthier than most big US oil groups.

Although rumours have often swirled through the markets that BP was about to take full control of Sohio, many Wall Street analysts believe that this week's moves by Sohio increase the likelihood. Mr Charles Maxwell, who works for Cyrus J. Lawrence and is one of Wall Street's most respected oil analysts, believes that there are very good reasons why BP should want to take full control sooner rather than later.

Sohio has bigger US oil reserves than any other company, including Exxon, and Mr Maxwell argues that BP's price earnings ratio would probably rise if it could show that it totally controlled these reserves. As Royal Dutch/Shell found, the easiest and cheapest way for it to increase its US reserves was to take

full control of its US affiliate.

There are two ways BP could take control of Sohio, says Mr Maxwell. It could either make a bid for the 45 per cent minority it does not own or allow Sohio to buy out the minority with its own cash flow. At the end of October, Sohio's public shareholders owned 104.3m of the group's 234.5m shares and BP held the remaining 130.2m. If BP were to make a bid at, say, 25 per cent above Sohio's current share price, it would cost it about \$6.5bn to take full control.

Given BP's own capital commitments, Mr Maxwell says that it would make more sense for it to acquire control by persuading Sohio to buy back its own shares. On the basis of its current cash flow Sohio could buy back the minority in less than three years.

If BP does want to take control of Sohio, many Wall Street analysts argue that it would be advised to make its move while President Ronald Reagan is in office. It is unlikely, they say, that another administration would look so benignly on foreign takeovers. Full control also would mean that BP had no one but itself to blame for costly blunders like the Kennecott acquisition.

Pechiney takes Japanese group
as partner in high-tech project

BY PAUL BETTS IN PARIS

PECHINEY, the French nationalised aluminium and metals group, is teaming up with Mitsui Mining and Smelting of Japan to build a FFr 280m (\$37m) plant in Normandy to produce copper foil for printed circuit boards used by the European electronics industry.

The joint venture, involving Treffimont, Pechiney's copper processing subsidiary, is part of the ongoing effort by the French group to expand in high-technology sectors.

It is the latest in a series of agreements between Treffimont and other international groups to strengthen the French company's involvement with the electronics industry.

The joint venture, called Euroal, will have a capital of FFr 80m and will be 65 per cent held by Treffimont and 35 per cent by Mitsui. The project, involving the construction of a plant at Dives-sur-Mer on the Normandy coast, will be backed by

French government aid. The plant will employ 100 people and is expected to generate sales of FFr 150m a year. Euroal will be using Mitsui's electro-deposited copper foil process.

The venture is one of a series of industrial projects involving Japanese companies in France. Recently Pechiney and Elf Aquitaine opened a carbon-fibre manufacturing plant in south-west France in co-operation with Toray of Japan.

Mannesmann sales up
12% in nine months

BY RUPERT CORNWELL IN BONN

MANNESMANN, the West German engineering and steel pipes group, yesterday announced a 12 per cent rise in sales for the first nine months of the current year. It forecast full 1985 profits would be "well above" the disappointing DM 128m (\$50.5m) of the parent company in 1984.

A statement in the company magazine said turnover between January and September advanced to almost DM 12bn. Export deliveries climbed 7 per cent, while domestic

sales - testament to the investment recovery in West Germany - jumped 22 per cent.

The improved profits picture reflects, above all, an upturn in the pipes division, which had fallen in 1984 to match the better trend in other parts of the Mannesmann group.

Orders taken by Mannesmannröhren-Werke, the Düsseldorf-based pipes concern, rose during the period by 14 per cent.

VW plans
Saturday
work to
meet boom

By John Davies in Frankfurt

VOLKSWAGEN, the West German motor vehicle maker, plans to step up production next year by introducing work on some Saturdays as well as during the normal holiday shutdown in the summer.

VW said yesterday that these steps would enable it to turn out an extra 36,000 vehicles to meet the continuing boom in sales and orders.

Employees worked some Saturdays earlier this year as the company struggled to take advantage of a rapid build-up in orders, boosted by the success of its new generation Golf in West Germany and European export markets.

VW has now agreed with employee representatives that cars should be produced at the Wolfsburg plant on eight Saturdays before the normal works holiday starting on July 7. Employees are to work on 12 Saturdays at the component factories at Brunswick, Kassel and Salzgitter, as well as in VW's light van factory at Hanover.

The company also wants some employees to volunteer to work during the normal July shutdown and to take their holidays at another time, although it envisages that only about 7,000 people will be involved.

Under the plan, expected to be endorsed at factory level by the end of this week, workers will take time off later next year to make up for the Saturday work. VW will decide in the second quarter of next year whether it needs to hire more workers to offset this time off.

VW has already stepped up production substantially this year. The company, together with its Audi subsidiary, expects to turn out 1.63m vehicles from West German factories this year, 12 per cent more than last year.

VW has hired 17,700 employees and apprentices since mid-1984. Its domestic workforce is now 123,000.

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Over-the-Counter Market

High	Low	Company	Price	Change	Gross Yield	P/E	Fully
148	130	Ass. Briz. Ind. CUS...	128	-	10.0	8.1	7.4
151	132	Ass. Briz. Ind. CUS...	128	-	8.8	12.2	10.7
77	43	Airsprung Group	63	-	4.3	10.5	5.1
48	26	Armstrong Rhodes	41	-	4.0	2.4	20.9
167	108	Bardon Hill	165	-	5.5	7.4	7.5
64	42	Bray Technologies	53	-	12.0	8.5	3.5
102	102	CCL Type Conv. Pl.	102	-	15.7	15.4	5.8
130	10	Carbonium Ord.	118	-	10.7	11.4	-
94	83	Carbonium 7.5% P.	84	-	7.0	12.1	6.0
73	46	Deborah Services	58	-	-	-	-
32	21	Fredrick Parter	21	-	-	-	2.9
50	20	George Blair	71	-	-	-	13.2
218	177	Isla Group	178	-	15.0	8.4	13.7
124	101	Jackson Group	278	-	15.0	5.4	8.8
285	213	James Burroughs	285	-	12.5	13.6	-
95	71	John Howard and	121	-	-	-	6.0
225	100	Lingstone Ord.	180	-	15.0	16.7	-
100	90	Lingstone 10.5% P.	90	-	-	-	25.1
680	300	Mannhouse Holding NV	70	-	-	-	9.0
120	31	Robert Jenkins	70	-	-	-	7.0
92	81	Serentons "A"	31	-	5.0	7.5	3.4
444	323	Torrey and Carlisle	330	-	4.3	1.3	18.8
41	17	Unilock Holdings	41	-	2.1	5.1	11.7
122	81	Walter Alexander	121	-	4.0	7.1	8.9
241	195	W. S. Yates	230	-	17.4	8.7	5.7

UK-based Hungarian
bank lifts earnings

BY ALEXANDER NICOLL IN LONDON

HUNGARIAN International Bank, the National Bank of Hungary subsidiary which has been the most profitable foreign-owned bank in London for the last two years, recorded a 12.9 per cent rise in pre-tax profits from £5.48m to £6.18m (\$9m) in the year ended September 30, 1985.

The bank specialises in trade finance. It enjoyed brief prominence earlier this year when it led a consortium of banks which lent Mr Eddie Shah's News UK group more than £5m to finance the purchase of five printing presses from West Germany.

In the latest year, total consolidated assets rose by 6.5 per cent to £210.9m, with cash, short-term bank deposits and certificates of deposit representing 39.5 per cent of the total. The bank is paying a 12 per cent total dividend for 1985, compared with none in 1984.

Mr Timothy Newling, managing director, attributed the profit rise to

greater use, particularly by UK corporate customers, of the bank's for-
feiting and export finance services.
Leasing business made a profit for
the first time.

Hibtrade, a subsidiary which specialises in countertrade, contributed £2.1m to pre-tax profits, up 8.3 per cent from the previous year.

Responding to the structural changes in London markets and to the bank's rising level of activity, Hungarian International Bank has substantially increased its capital. National Bank of Hungary is subscribing \$15m in primary capital loan stock, raising primary capital as defined by the Bank of England to about £30m.

National Bank of Hungary, itself an innovator as a borrower on international markets and the recipient of this week's Eastern Europe's first note issuance facility, has extended a \$100m standby to the London subsidiary, but it has not been drawn.

HUNGARIAN
INTERNATIONAL
BANK LIMITED
LONDON

The Board is pleased to announce for the year ended 30th September 1985, a pre-tax profit of £6,185,457. Extracts from the consolidated balance sheet are set out below.

	30th September 1985
Issued Fully Paid Capital	£10,000,000
Reserves	7,804,365
Subordinated Unsecured Loan Stock 1991	2,000,000
Primary Capital	£19,804,365
Deferred Taxation	7,623,035
Total Capital Resources	£27,427,400
Balance Sheet Total	£210,893,197

The Bank continues to maintain a high level of liquidity and low gearing and the Directors are optimistic that 1986 will be another successful year.

At the Annual General Meeting of the Bank on 3rd December 1985, the National Bank of Hungary, recognising the increasing demand for the services of the HUNGARIAN INTERNATIONAL BANK LIMITED and its wholly owned subsidiary HIBTRADE LIMITED, agreed to take up on the 14th January 1986 US\$15,000,000 Primary Capital Undated Loan Stock. This stock will form part of the Bank's Total Capital Resources at current rates of exchange to approximately £38,000,000.

The 1985 Accounts will be published shortly. Please contact the Company Secretary for a copy. Telephone: 01-606 5371. Address: Princes House, 95 Gresham Street, London EC2V 7LU.

NEW ISSUE

These Notes having been sold, this announcement appears as a matter of record only.



THE ROYAL BANK OF SCOTLAND GROUP plc

(Incorporated in Scotland under the Companies Act 1948 to 1967, registered number 45551)

U.S. \$350,000,000

Undated Floating Rate Primary Capital Notes

Merrill Lynch Capital Markets

The Royal Bank of Scotland plc

Bankers Trust International Limited
Kidder, Peabody International Limited
S. G. Warburg & Co. Ltd.

Credit Suisse First Boston Limited
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Mitsubishi Trust & Banking Corporation
(Europe) S.A.
Morgan Guaranty Ltd

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E F Hutton & Company (London) Ltd.
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Nomura International Limited
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December, 1985

INTL. COMPANIES & FINANCE

Holmes à Court douses speculation on BHP bid

BY MICHAEL THOMPSON-NOEL IN SYDNEY

MR ROBERT Holmes à Court, the Perth businessman, yesterday doused speculation that he was about to launch an all-out bid for Broken Hill Proprietary (BHP), Australia's biggest company, but said that his Bell Group would now equity-account profits on its stake in BHP.

He reaffirmed that his main intention in taking "a major position" in BHP — currently about 17 per cent — was to secure a long-term investment.

"There has been a lot of publicity and speculation about our real intention in relation to this investment," Mr Holmes à Court told the Perth annual meeting of Bell Group, his master company. "Our intentions are what we said they were from the very start — to take a major position in the company on a long-term basis."

"It is a serious and res-

Associated Communications Corporation (ACC) of the UK, taken over by Mr Holmes à Court in 1982, is to be renamed Bell Group International in recognition of its role as the group's main vehicle overseas. Mr Holmes à Court told the Perth meeting. Bell is to invest A\$50m in film and television productions in the current year, mainly in the US and Britain.

possible investment we are making. We do not desire to disrupt the company, its shareholders or its management. I think the record shows that every element of BHP is no worse off and some people may say they are better off because of the holding we have taken."

He said, however, that Bell Group would not be "totally inert" and would seek some

future influence on BHP's management.

Mr Holmes à Court confirmed that Bell and its main offshore, Bell Resources, have total cash and credit of about A\$20m (US\$13.4m). The current investment climate was not good, but he did not rule out "a major acquisition on the right terms."

BHP, a resources and steel group, has suffered persistent attention from Mr Holmes à Court over the past two years. He said yesterday that trading in BHP shares and options has earned Bell Group more than A\$100m.

Bell Group is a diversified resources, media and investment concern, the resources arm of which is in many ways modelled on BHP itself.

Mr Holmes à Court said that if he became a BHP director Bell would have to curtail its share trading in BHP.

Big gold find in Papua New Guinea

By Our Sydney Correspondent

PARTNERS in the Lihir Island gold venture in New Ireland province, Papua New Guinea, said yesterday they had identified what is probably the biggest gold find in Australasia or nearby.

Preliminary geological reserves for the Lihir Island find are put at 137m tonnes of ore grading 2.66 grams per tonne (g/t) at a cut-off grade of 1 g/t.

This equates, said the partners, to 11.7m oz of contained gold, which ranks Lihir Island ahead of other notable PNG finds such as Porgera, Bougainville and Ok Tedi, and way ahead of Kidoist, Australia's biggest producing gold mine.

Kennecott Explorations (Australia), which owns 88 per cent of the venture, is providing funds until mining proceeds are received. Kennecott is part of the troubled mining interests of Sotik, the US oil company which is in turn majority owned by British Petroleum.

"It's a very large lump of gold in one place," said Mr Geoff London, general manager of Nugini Mining, which has the other 12 per cent interest in the venture. Nugini Mining is a PNG-registered company which is mostly Australian-owned. Its shares closed 7 cents higher at A\$2.57.

Kennecott said that at a cut-off grade of 1.5 g/t, there were 86m tonnes of ore grading 2.22 g/t. At a cut-off of 2.5 g/t, there were 49.3m tonnes grading 4.51 g/t. Mineable reserves have yet to be determined.

The total reserve is oxide ore, amenable to direct cyanide leaching processes with a 90 per cent gold recovery, but the rest is a refractory sulphide ore needing processing before leaching to achieve about 85 per cent recovery.

Great Eastern Shipping back to profits

By R. C. Murthy in Bombay

GREAT EASTERN Shipping Company, one of India's largest private shipping companies, returned to pre-tax profits of Rs 19m (\$1.5m) in the year to June 1985 against Rs 42.8m losses the previous year.

It is the only Indian shipping company to make such a recovery this year, and is to restore a dividend of Rs 0.70.

Mr Vinod Sheth, the chairman, says a further improvement may be possible this year, provided the international environment does not worsen and government support for the company's diversification plans is forthcoming.

Great Eastern is seeking shareholders' approval for a move into housing development, hotels and services to the oil exploration industry.

State action averts failure of Heiwa Sogo Bank

BY YOKO SHIBATA IN TOKYO

BANK FAILURE, which has been a taboo concept in Japan since the Second World War, has again been averted off by the Ministry of Finance (MoF) and the Bank of Japan (BoJ), with a package of administrative reforms proposed for Heiwa Sogo Bank, a Tokyo-based savings and loan institution which has encountered financial difficulties.

Mr Kazumasa Tashiro, a former director of the BoJ, was this week installed as president of Heiwa Sogo, succeeding Mr Takashi Inada, who stepped down in order to take responsibility for the bank's troubles. Other advisers are to join Mr Tashiro at the bank, where since 1983 he has held the largely formal post of chairman.

Venture fund for Korea

BY STEVEN B. BUTLER IN SEOUL

THE SOUTH KOREAN Ministry of Finance has authorised the launch of the country's first venture capital trust fund, which will also be the first investment trust open both to foreign and domestic investors. The fund, to be established by the Korean Investment Trust Company, will seek to raise \$5.5m won (\$6.2m), with 48.5 per cent of the shares being sold to foreign investors. Baring Brothers will be lead manager for the fund, to be called the Korea Small Company Trust.

Venture capital is new to Korea, and the establishment of the trust is part of the Government's broader policy to spur growth in small and medium-sized companies as well as to draw in foreign equity capital. Approval for several other venture capital funds with foreign participation is expected soon.

The fund is to be a closed-end type, with an investment period set for 11 years. Units of the trust will be traded eventually on the Korea Stock Exchange.

Argyle Diamond pipe opened

DIAMOND production has started at the main AKI pipe of Argyle Diamond Mines in Western Australia, the world's biggest diamond mining operation. Our Mining Editor writes: The A\$465m (US\$315m or £213m) construction programme has been completed on schedule and within budget.

AKI will take over from the initial alluvial operations at Argyle and during the next 12 months will build up to an annual rate of 25m carats (nearly 54 tonnes) of diamonds from the treatment of 3m tonnes of ore. Proven and probable ore reserves have been put at more than 75m tonnes.

U.S. \$30,000,000



THE KOREA DEVELOPMENT BANK

(Incorporated in the Republic of Korea under The Korea Development Bank Act of 1953)

Floating Rate Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the six month interest period from 5th December, 1985 to 5th June, 1986 the Notes will carry an Interest Rate of 8 3/4% per annum. The interest amount payable on the relevant Interest Payment Date which will be 5th June, 1986 is U.S. \$43.29 for each Note of U.S. \$1,000.

Credit Suisse First Boston Limited Agent Bank

Weekly net asset value



Tokyo Pacific Holdings (Seaboard) N.V. on 2nd Dec. 1985 U.S. \$151.70

Listed on the Amsterdam Stock Exchange

Information: Piersen, Halding & Piersen N.V., Herengracht 214, 1016 BS Amsterdam.

AIBD BOND INDICES

WEEKLY EUROBOND GUIDE NOVEMBER 27 1985

	Yield	Change on Week	12 Months High	12 Months Low
US Dollar	10.357	-0.562	12.258	10.356
Canadian Dollar	11.279	-0.270	13.258	11.279
Eurodollar	6.196	-0.755	7.879	6.131
Euro Currency Unit	9.309	0.154	10.450	9.189
Sterling	11.032	-0.843	11.600	10.763
Deutschemark	7.080	-0.086	7.560	6.854

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Kingdom of Sweden

U.S. \$750,000,000

Floating Rate Notes due 2000

In accordance with the provisions of the Notes, notice is hereby given that for the six months interest period from 5th December, 1985 to 5th June, 1986 the Notes will carry an Interest Rate of 8 3/4% per annum. Interest payable on 5th June, 1986 will amount to U.S. \$423.40 per U.S. \$10,000 Note.

Morgan Guaranty Trust Company of New York London Agent Bank

U.S. \$50,000,000

Saitama International (Hong Kong) Limited

(Incorporated in Hong Kong)

Guaranteed Floating Rate Notes Due 1993

Guaranteed as to payment of principal and interest by The Saitama Bank, Ltd. (Incorporated in Japan)

In accordance with the provisions of the Notes, notice is hereby given that for the six month interest period from 5th December, 1985 to 5th June, 1986 the Notes will carry an Interest Rate of 8 3/4% per annum. The interest amount payable on the relevant Interest Payment Date which will be 5th June, 1986 is U.S. \$213.28 for each Note of U.S. \$5,000.

Credit Suisse First Boston Limited Agent Bank



MALAYSIA

US \$300,000,000 Floating Rate Notes due 1992

In accordance with the provisions of the Notes, notice is hereby given that for the six month interest period from 5th December, 1985 to 5th June, 1986 the Notes will carry an Interest Rate of 8 3/4% per annum. The relevant Interest Payment Date will be 5th June 1986 and the Coupon Amount per US\$ 50,000 will be US\$2,164.41 and per US\$ 250,000 will be US\$10,822.05.

Reference Agent Bank of Tokyo International Limited

December, 1985

This advertisement complies with the requirements of the Council of The Stock Exchange.



Gaz Métropolitain, inc.

(Incorporated in the Province de Québec)

Canadian \$50,000,000

10% % Debentures due December 18, 1995

The following have agreed to subscribe or procure subscribers for the Debentures:

Société Générale

Banque Bruxelles Lambert S.A.

Banque Internationale à Luxembourg S.A.

Caisse de dépôt et placement du Québec

CIBC Limited

Citicorp Investment Bank Limited

Commerzbank Aktiengesellschaft

Crédit Lyonnais

Credit Suisse First Boston Limited

Dominion Securities Pitfield Limited

Generale Bank

Genossenschaftliche Zentralbank Aktiengesellschaft

Lévesque, Beaubien Inc.

Merrill Lynch Capital Markets

Orion Royal Bank Limited

Shearson Lehman Brothers International Yamaichi International (Europe) Limited

Application has been made to the Council of The Stock Exchange for the Debentures, issued at 100 1/4 % to be admitted to the Official List, subject only to the issue of the temporary global debenture.

The Debentures will bear interest from December 18, 1985 at the rate of 10% per annum payable annually in arrears on December 18, the first payment falling due on December 18, 1986.

Particulars of the Issuer and the Debentures have been circulated in the Extel Statistical Service. Copies of the particulars relating to the Debentures may be obtained during usual business hours up to and including December 9, 1985 from the Company Announcements Office of The Stock Exchange and up to and including December 19, 1985 from:

R. Nivison & Co.
25 Austin Friars
London EC2N 2JB

Canadian Imperial Bank of Commerce
55 Bishopsgate
London EC2N 3NN

December 5, 1985

The Hongkong and Shanghai Banking Corporation

(Incorporated in Hong Kong with limited liability)

U.S. \$400,000,000

PRIMARY CAPITAL UNDATED FLOATING RATE NOTES



Notice is hereby given that the Initial Rate of Interest has been fixed at 8 3/4% and that the interest payable on the relevant Interest Payment Date March 5, 1986 in respect of \$5,000 nominal of the Notes will be \$106.25 and in respect of \$100,000 nominal of the Notes will be \$2,125.00.

December 5, 1985, London
By: Citibank, N.A. (CSI Dept.), Agent Bank

CITIBANK

Public Works Loan Board rates

Years	by EPT	At maturity	Non-quota loans A* repaid	by EPT	At maturity
1	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 1, up to 2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 2, up to 3	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 3, up to 4	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 4, up to 5	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 5, up to 6	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 6, up to 7	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 7, up to 8	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 8, up to 9	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 9, up to 10	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 10, up to 15	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 15, up to 25	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Over 25	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2

* Non-quota loans A are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

BOC up £34m and more to come

THE BOC Group made good progress over the final quarter of the 1984-85 year and for the full 12 months saw its profits surge by £33.5m at the pre-tax level.

Furthermore, Mr Richard Giordano, who took over the chair from Sir Leslie Smith last January, is expecting higher profits in the current year.

For the past 12 months to September 30 group turnover fell from £2,440m to £2,200m but modified pre-tax profits came through at £171.3m, compared with £137.8m—the final quarter taking £42.7m. An increased final dividend of 5.53p raises the net total by 21.8 per cent to 9.38p.

The figures were much in line with City estimates and the gases and health care group shares closed 8p lower yesterday at 309p.

The full-year results benefited from a fall in both operating and depreciation costs and a £12.2m drop in interest charges to £11.9m.

The associates' contribution fell from £17.7m to £13.8m and gains from realised stock holdings declined by £2.7m to £1.9m.

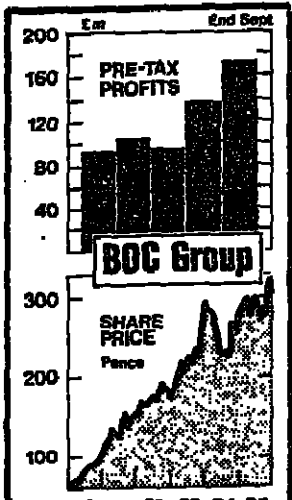
Mr Giordano, one of the UK's highest paid managers, said the results were in line with the directors' expectations. Demand for BOC's industrial gases and health care products and services increased in most markets and profits were up. Carbon graphite volume was down and a £5.5m loss was incurred but turnover and profits in the high vacuum technology business were up significantly.

The chairman said that the carbon and graphite business had lost money during the year at a rate of £1m a month and



Mr Richard Giordano, chairman of BOC

were expected to continue in the red this year. They are, however, generating cash. He added that capital expenditure last year totalled £240m and that small acquisitions accounted for another £70m. This had been roughly matched by internal cash. Spending is expected to remain at roughly the same level this year. The UK gas business had a very good year and there was a strong recovery in medical equipment in the US. The regional results were materially affected by exchange rate movements. The anticipated earnings from the US, including those to be remitted to the UK, were sold forward early in the year. This transaction was £18.5m. The South African and Australian profits showed an increase



BOC Group

in local currency but a sharp decline when expressed in sterling. The effect of exchange rate movements of these and other currencies, net of the benefit of the US forward sale was to reduce pre-tax profits by £12.8m. In addition, US\$90m was sold forward for delivery in September 1986 at an average rate of £1.09 to the pound. The directors say this transaction is currently showing a profit of some £14m which will benefit earnings for 1985-86. The interest charge for the year at £11.9m was covered 3.4 times by trading profit. The lower charge was the result of reduced borrowings, currency movements, lower dollar interest rates and higher UK rates earned on sterling deposits. Although tax rose from £44.1m

to £49.9m as a percentage of profits it fell due to the higher proportion of profits earned in the UK and US which have low marginal tax rates.

An extraordinary loss of £7.1m (£12.1m credit) includes £4m provision against US environmental clean up costs on sites of discontinued operations. The balance is the net of profits and losses on the withdrawal from businesses.

Operating costs were reduced from £1,720m to £1,570m and depreciation fell by £11.7m to £14.8m.

Minorities accounted for £11.5m, against a previous £14.4m.

Earnings emerged at £109.6m (£29.3m) or 24.65p (18.57p) per share fully diluted. The directors have decided that shareholders should continue to have the opportunity of taking all or part of their dividends in shares instead of cash.

An appropriate resolution will be proposed at January's AGM which, if passed, will take effect for the final dividend now recommended.

An analysis of group operating profits (£241.3m, against £217.3m) by division shows: gases and related products (£186.5m (£143.9m)), health care (£75.5m (£63.7m)), carbon and carbide (£58.8m loss (£11.7m profit)) and special products and services (£20.5m (£14.1m)). Corporate costs accounted for £7.5m (£17.3m) and discontinued businesses for £0.2m (£0.3m). Regional analysis shows: Europe £87.7m (£57.9m), Africa £15.8m (£20.4m), Americas £115.3m (£87.6m) and Asia/Pacific £41.7m (£31.1m). See Lex

US sales help lift Wellcome to £122m

By Tony Jackson

THE WELLCOME FOUNDATION, the private UK drug group which has its stock market flotation planned for January 29, has increased its profits for the year to August by 37 per cent to £121.7m before tax, against last year's £88.0m.

Profits growth in the second half, at 11 per cent, represented a marked slowdown from the 65 per cent jump in the first half.

Wellcome said the difference was primarily due to currency movements. Sterling began the reporting year at \$1.31, rose to \$1.05 at the half way stage and fell back to \$1.29 at the close. North America contributed 73 per cent of the year's trading profits, on 45 per cent of sales.

Wellcome estimated that currency had contributed 6 per cent to sales (up 25 per cent at £1m), and 11 per cent to pre-tax profits. The chief reason for the rise in profits, however, had been the performance in the US.

Among prescription medicines, the anti-hepatitis drug Zovirax increased its world-wide sales from £27m to £52m. US sales were some \$48m, and Mr William Sullivan, head of US operations, said he expected sales of \$60m this year. "The eventual target is at least \$120m," Mr Sullivan said.

Over-the-counter (OTC) medicines did particularly well in the US as a result of heavy consumer marketing. Wellcome said that in 1982-83, when it was first decided to advertise the cough medicines Actifed and Sudafed on TV, OTC sales in the US had been \$85m. Sales were now \$150m, and the two Wellcome products had moved to brand leadership.

Mr David Shepherd, group chairman, said that growth in the past year had been achieved without any new product launches. "I don't think this year will see any significant product launches either," he said.

Coopers Animal Health, the new joint venture with ICI, made losses before tax of £2.3m in 1984. The 1985 start-up costs, Mr Shepherd said, despite market difficulties, he was much more optimistic about the business than he had been six months before.

The group said arrangements had been made to register Wellcome shares in the US in time for the January 29 flotation. This was solely for the benefit of Wellcome's 3,500 US employees.

There are no immediate plans to see a US listing, Mr Martin Brookman, Wellcome's finance director, said. "A US listing would need full treatment, including a roadshow, and we have too much to do here already."

There is likely to be a preliminary or "red herring" prospectus ahead of the issue. However, Wellcome said that due to currency uncertainty the prospectus would not include a profits forecast.

It was pointed out that if the dollar maintained its present level, the group's US operations would have to increase profits by 16-17 per cent merely to equal last year's level in sterling. However, analysts expect the current year to show an increase in sales volume.

See Lex

Sears denies BHS rumours

Sears Holdings, the Doctis, Saxe and Selfridges retail group, yesterday denied persistent stock market rumours that it was preparing a counter-bid for British Home Stores. BHS last week agreed a £1.52bn merger with Habitat Moterecare.

Mr Geoffrey Maitland Smith, Sears' chairman, issued a statement to the Stock Exchange stating: "We are not presently poised to make a bid for British Home Stores."

That did not mean Sears might not make a move if circumstances altered but, he said, "as of this moment the rumour is unfounded."

He added that it looks to me as if this merger will go through, unless someone comes in soon on an aggressive basis." Mr Maitland Smith said however that he did not want to make an unqualified statement that there would not be a bid from Sears, because the BHS-Habitat talks might break down or something else might happen to prevent the agreed merger going through.

"I want to be free to allow us to do something necessary," he said. "BHS is an interesting situation but it looks very expensive to me."

Habitat Moterecare and BHS announced on Tuesday of last week that they had agreed a merger which would create a retailing group with turnover of more than £1bn and with nearly 900 stores.

Sears' shares closed 2p lower at 109p, while BHS rose 4p to 42p.

Saatchi exceeds forecast with surge to £40m

Saatchi & Saatchi Company, Britain's largest advertising agency, boosted pre-tax profits from £18.31m to a record £40.45m in the year to September 30 1985, which exceeded the £38.3m forecast in April. Turnover expanded from £855.43m to £1.31bn.

Revenue more than doubled from £146.99m to £301.58m. Adjusted earnings per 10p share were shown ahead from 28.4p to 45p and the final dividend is 6.7p for a total payment of 13.90p, against an adjusted 9.03p which excludes exceptional income equivalent to 0.5p.

Mr Maurice Saatchi, the chairman, says he is confident that 1986 will be another record year for the company.

The 1984 results exclude an exceptional gain from the release of accrued income from listed money funds of £1.72m pre-tax (£1.15m after tax) equivalent to earnings per share of 4.2p.

Tax charge was £15.5m (£7.68m) and after minorities, attributable profits came to £24.05m, against £10.33m.

The chairman says all divisions of the company and all geographic regions performed well in the year. The communications division accounted for



Mr Maurice Saatchi, the chairman

70 per cent of total revenue and 71 per cent of pre-tax profits, while consulting activities contributed 30 per cent and 29 per cent respectively.

Geographically, the UK accounted for 24 per cent of revenue and 29 per cent of profits, the US for 63 per cent

and 58 per cent, and the rest of the world for 14 per cent and 13 per cent respectively. Mr Saatchi says a fine contribution has been achieved by new parts of the group, particularly the Ray Anthony group which achieved all its targets agreed at the time of the acquisition in November, 1984.

Its operating margins improved from 11.5 per cent to 14 per cent. Overall pre-tax margins increased from 12.4 per cent to 13.4 per cent.

In the six months from April to October 1985, the first in which the company has been operating under the present management structure, over \$50m of new business flowed into group companies as a result of cross referral or introduction of clients from one part of the business to another.

The company has reinforced its management team ahead of future growth. It has been streamlined into two divisions and Mr Anthony Simons-Goodwin has been appointed to run the communications operations.

Dr Milton Rock has taken up the chairmanship of the consulting division and is developing plans to take the company into all the key areas of consulting. See Lex

Pegler-Hattersley profit slips

THE RECESSION in South Africa and the fall in the value of the Rand were greater than Pegler-Hattersley expected, and the effect on the half year ended September 28 1985, was to reduce the company's profit from £5.38m to £3.25m.

In sterling terms earnings from South Africa fell by some £1.5m in the period to less than 10 per cent of group profit.

For the second half, the directors say activity in that country is likely to stay depressed, but they expect the improved conditions experienced in other operations to continue.

The group manufactures and distributes industrial valves, controls, building products, and rubber components. Turnover in the period rose from £75m to £82.68m, resulting in a trading profit of £5.59m (£4.59m) for the group and £1.70m (£2.52m) for the manufacturing division.

Net interest receivable came to £272,000 (£210,000).

After lower tax £3.31m (£1m) earnings worked through at 16.2p (£4.9p) per share. The interim dividend is raised to 5.75p net (5.25p). For the year ended March 31 1985, pre-tax earnings were £3.8m and the final dividend 9.25p.

The directors report that

distribution operations showed a substantial increase in earnings; results from the industrial companies were mixed but earnings in total improved and benefited from the purchase of Nucleotronics.

In building products markets were less strong than elsewhere and earnings were lower. The general fall in metal prices affected earnings but recently demand has picked up.

Sales and earnings in valves increased as demand improved. Process plant spending continued to expand and sales of steel valves, in particular, rose strongly, both in UK and overseas.

Markets for heating and ventilating valves were also good and order books strengthened. Rationalisation of plug valve manufacture within the division was completed and installation of the new flexible manufacturing system at Ormskirk, is underway.

Earnings from New Zealand and Australia improved substantially, they report.

The integration of Satchell and Sunvic and N. T. Controls has involved short term costs but both are operating profitably.

comment

The falling rand has hurt Pegler-Hattersley—the share fall in profits from related companies arising totally from its 37.5 per cent stake in CIL of South Africa. And the position is expected to improve in the short-term. The group's £23m cash pile has been depleted by the £13.5m spent on acquisition of the electrical input from Sunvic in June, and rising capital expenditure. The latter could total £2m this year against £6m last year.

Downward movements in the price of copper, the group holds significant finished and unfinished stocks, cost the trading account £200,000. But short of its US problems, Pegler has to look a solid performer which will in time be able to branch out into other electrical input from Satchell. It may soon wish for something more substantial in this or the more diverse DTV field.

For this year, however, the South African difficulties have led analysts to trim forecasts and current expectations. The shares at 31p, down 11p, are reasonably well supported on a prospective p/e of 5.5 (40 per cent tax) by a yield of 6.8 per cent.

Holmes & Marchant tops forecasts

Holmes & Marchant, the Buckinghamshire based marketing consultant, has beaten the profit forecast it made at the time of its US placing last May, and in response is to increase the final dividend to 2.2p, compared with the 2p it then expected to pay.

The taxable profit for the year to September 30 1985 came to £1.03m, a 55 per cent rise on the comparable period and some £30,000 ahead of the listing projection. Mr John Holmes, group chief executive, says the current year has started well and he is confident that the enlarged client base will contribute further to the growth and expansion of the business.

Despite the good result and the confident tone of the statement, the shares fell back 10p on the day to close at 37p, still 7p above the placing price. Earnings per share for the year came to 15.7p against 9.5p, a 65 per cent rise.

Along with the results, the company also announced its entry into a computer aided promotional development following the setting up of Electronic Marketing Systems (UK), a joint venture company with EMI.

This joint venture has just started a major sales campaign and will be offering its services initially to existing clients and then to a wider audience, particularly companies in the retailing, fast food, travel, petrol and financial services sectors.

Mr Jim Raper quits Specialeyes' chair

Mr Jim Raper, the financier, has resigned as chairman of Specialeyes, the OTC stock now establishing itself as a chain of dispensing opticians.

In accordance with a prospectus dated last March, Mr Raper's 45.1 per cent shareholding was to be placed with a number of financial institutions and private investors.

Bowater shares up

Shares in Bowater Industries, the paper group, closed 12p up on the day at 340p last night following confirmation that Hanson Trust had lifted its stake in the company from 8 per cent to 10.01 per cent. Hanson's only comment was that the stake was "an investment."

Yarrow

The board of Yarrow, the marine engineering group, yesterday confirmed its opposition to the £18m takeover bid launched for it on Monday by Weir Group, its Glasgow neighbour.

Godfrey Davis expands in non-motor side

WITH THE residential park homes and Rent-A-Unit portable buildings divisions continuing their expansion, the Godfrey Davis (Holdings) group has lifted pre-tax profit by 45 per cent to £2.45m in the half year ended September 30 1985.

The chairman, Mr C. Redfern, says the group moved into its final quarter of the year he sees no reason why there will not be record profits for 1985-86.

Turnover rose from £51.95m to £58.82m, or by 7.5 per cent. The profit was struck after substantially increased interest charges of £571,000 (£409,000). Tax takes £883,000 (£676,000) to leave the net profit at £1.57m (£1m) equal to 6.3p (£4.9p) per share.

The interim dividend is raised from 1.25p to 1.5p net, after adjustment for a scrip issue. Mr Redfern expects shortly to announce the purchase of further residential park which, when taken with the other recent acquisitions, will bring the total invested in the division in 1985 to nearly £3m.

comment

Godfrey Davis is such a well known name that it has to under-

line that it is not involved in daily car hire, caravans, holiday homes or the leisure market. It is expanding in residential park homes—with 3,500 units expected to be in place before the year end. Elderly home owners are apparently attracted to these—and the capital gain to be made in swapping bricks and mortar for GD's £10,000 to £35,000 dwellings. The monthly rental on the plots should constitute a growing source of revenue over and above the sale of the homes. On its Ford dealership the group is clearly feeling something of a squeeze as the motor company offers cheap financing terms to purchasers. This muddies the waters of the second-hand market and makes necessary a conservative treatment of residual values on the contract rental fleet. However, the group has some useful property disposals up its sleeve via the extraordinary credit this time round on the sale of the Newton workshops. For the full year Godfrey Davis should make £4.5m which suggests a prospective multiple of 10, given a 10 per cent charge, which seems about right for the shares on 88p, up 4p.

KWIK SAVE

57 New Stores opened
54 Major refits

Kwik Save now trades in 420 stores and in 22 Arctic Freezer Centres plus 78 wine and spirit units.



Highlights of the year are: (53 weeks to 31st August 1985)

- Turnover up 12.9% to £724m
- Interest received up 32% to £2.5m
- Profit before tax up 13.3% to £36m
- Total dividend up from 4.1p to 4.8p per share
- Earnings per share up from 11.66p to 13.66p

KWIK SAVE

Copies of the Report and Accounts will shortly be available from the Company Secretary, Kwik Save Discount Group PLC, Warren Drive, Prestatyn, Clwyd LL19 7HU.

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange.



Allied London Properties Plc

(Incorporated in England and Wales Registered No. 104394)

Placing of £15,000,000 10% per cent. First Mortgage Debenture Stock 2025 at £97.203 per cent payable as to £25 per £100 nominal on acceptance and as to the balance of £72.203 by 6th March, 1986.

Application has been made to the Council of The Stock Exchange for the whole of the above Stock to be admitted to the Official List.

In accordance with the requirements of the Council of The Stock Exchange £1,500,000 of the Stock is available in the market on the date of publication of this advertisement. Preliminary Exel Cards are available and Listing Particulars will be circulated in the Exel Statistical Services and copies may be obtained during usual business hours on any weekday (Saturdays and public holidays excepted) up to and including 19th December, 1985, from:

Allied London Properties Plc, County Bank Limited, 11 Old Broad Street, London EC2N 1BB
Allied House, 26 Manchester Square, London W1M 6EU
Phillips & Drew, 120 Moorgate, London EC2M 6XP
Lloyds Bank Plc, Registrar's Department, The Causeway, Canning by Sea, Worthing BN12 6DA

and until 7th December, 1985 only, by collection from the Company Announcements Office, The Stock Exchange, Throgmorton Street, London EC2.

5th December, 1985

Maxwell hopes to thwart GPG

BY CLIVE WOLMAN

MR ROBERT MAXWELL, the publisher of Mirror Group Newspapers, yesterday extended his diverse interests into financial services by acquiring a 5 per cent stake in Britannia Arrow Holdings, currently the target of a £220m takeover bid from Guinness Peat Group.

Mr Maxwell said he bought the shares, worth £10.2m, at the request of Britannia Arrow's chairman, Mr Geoffrey Rippon, "to help in their defence against the unwanted, opportunistic and inadequate bid" from the banking and investment group. Mr Maxwell added: "The GPG bid is an example of unhealthy merger mania, where an attempt is being made to swallow up a thriving and very successful business on the cheap."

Mr Alastair Morton, Guinness Peat's chief executive, was dismissive of the move. "It is

seemingly appropriate that Rippon and Maxwell should get together," he said. "Robert Maxwell is not the most likely entrant into the financial services sector. I don't think the Bank of England would like it if he got control of a merchant bank." Britannia Arrow owns the merchant bank, Singer and Friedlander.

Mr Morton added: "Since Britannia's share price slipped below the value of our share offer on Friday, Rippon has become increasingly desperate." In response to the announcement, Britannia's share price rose 5p yesterday to 147p, about 1p above the value of the Guinness Peat offer.

Mr Maxwell said that Mr Rippon was informed that a US cabinet minister was "an old friend." He is also chairman of a subsidiary of Mr Maxwell's Pergamon Group.

Mr Maxwell was with Mr Rippon at a committee meeting connected with the European Community yesterday when Mr Rippon was informed that a US institutional shareholder in Britannia Arrow wished to sell its 5 per cent stake. He told Mr Maxwell, who agreed to buy the stake at slightly below its market value.

Mr Michael Newman, Britannia Arrow's chief executive, said last night: "No one could persuade Maxwell to part with £10m unless he thought it was a good investment. Maxwell has recognised that Guinness Peat is going to have to make a higher offer and he is trying to make some money out of it. He has a substantial contribution to make in getting the bid up higher."

Guinness Peat's current offer expires on December 17.



Mr Robert Maxwell... sees 5 per cent Britannia Arrow stake as a defensive move.

Geevor Tin warns of substantial lay-offs

By Kenneth Marston, Mining Editor

CORNWALL'S Geevor Tin Mines said yesterday that unless the adverse effects on its cash flow of the tin crisis were significantly eased by the end of this month, it might have to lay off a substantial proportion of the workforce of 377 people.

This warning coincided with the company's interim results, which showed net profits for the six months to September of £18,000, or 53p per share, compared with £175,000 last time.

Following the suspension of trading in tin on the London Metal Exchange on October 24, the mine has been paid provisionally only low interim prices for the greater part of its output. It has also been unable to close out the maturing forward sales contracts.

In order to conserve cash resources the company is not declaring an interim dividend. It is also looking into methods of financing projects designed to lower its mine break-even costs and survive.

During the first half of the current year, before the tin crisis erupted, Geevor received an average tin price of 9,342 per tonne. This gave a profit of £737 per tonne of which £287 represented forward sales.

Geevor shares fell to a year's low of 74p yesterday before closing unchanged on balance at 77p; the 1985 high was 250p.

SGB fights back with £18m forecast

BY MARTIN DICKSON

SGB, the scaffolding company fighting a £120m takeover bid from BET, the services group, yesterday forecast record pre-tax profits of not less than £18m in the year to next September—up at least 33 per cent on its estimate for the year just ended.

The announcement came just two days before the first closing date of the bid, and with the SGB share price languishing below the value of BET's offer.

BET commented that "this is obviously a panic measure and it is not very credible only eight weeks into their trading year."

Only last week SGB announced a 23 per cent rise in pre-tax profits for the year to last September, and said it was preparing a detailed forecast for the

current year. It also announced plans for a 10 per cent dividend increase for 1984-85 and said it expected to propose a further 33 per cent rise in the current year.

Mr Clive Beck, SGB's deputy chairman, said the company was now free of loss-making activities at home and abroad which had reduced pre-tax profits in 1984-85 from £15m to £13.5m. This, coupled with the improved outlook for the European construction industry, explained why it could confidently make its current year forecast.

SGB shares closed last night at 282p, up 4p on the day. But that remains below the 270p value of BET's three-for-one shares offer, on the basis of BET's close last night of 360p, down 4p.

Pound cuts Colloids profits by £2.3m

THE PROBLEMS of last year continued into this for Allied Colloids Group, the Bradford-based industrial chemicals group, and were aggravated by the strengthening of the pound. Following a fall in taxable earnings in the second half of last year there was another fall in the six months to September 28 1985.

On turnover up by 15 per cent from £48.7m to £56.08m, pre-tax profits fell by 23 per cent to £8.32m against £10.65m. That was slightly above market expectations, however, and the shares closed at 140p, up 13p on the day.

From earnings per 10p share down from 5.06p to 4.27p, the group is paying an unchanged interim dividend of 0.7p. Last year there was a total payment of 5p from pre-tax profits of £18.3m.

The directors say that currency movements were estimated to have cut profits by £2.3m. And despite the end of the miners' strike, which affected last year's results, the competitive pressures had not abated.

They add that demand continues to grow and new plant is coming on stream to satisfy that and improve efficiency. They expect to be able to maintain performance for the year provided there is no significant strengthening of sterling.

Spear & Jackson's £5m garden tools acquisition

BY CHARLES BATCHELOR

Spear & Jackson, the garden and house tool manufacturer which is fighting off a £15m takeover bid from James Neill Holdings, is to acquire the garden tools division of Falcon Industries for £5.15m in cash and shares.

The proposed purchase of Falcon's Jenks & Catell subsidiary, which includes a factory making pressings for the automotive industry, and of the garden tool operations of Falcon's Burton & Ball division will double Spear's garden tool sales to £18m.

Mr Leonard Grosbard, managing director of Spear, said considerable cost savings would be made on the merging of the two companies' activities.

Spear does not, however, expect this deal to increase profits in the year ending March 1986 though a significant contribution to profits is expected the following year.

Jenks, which is the leading UK supplier of own-label garden

tools to retailers, made profits of about £500,000 last year while Burton's garden tool activities contributed about £100,000 of profit, Mr Grosbard said.

But Neill disputed the profitability of the Falcon companies and said the total cost of the deal to Spear, including rationalisation costs would be nearly £6.7m.

Spear's shares fell 4p to 246p yesterday. This was 23p below the value of Neill's five-for-three share offer and 4p below the 250p cash alternative. Neill's shares were unchanged at 160p.

Mr Peter Bullock, managing director of Neill, described the Falcon deal as a last desperate attempt by Spear's management. The price paid by Spear for these businesses was ridiculous, he added.

Spear will finance the purchase by the issue of 4m 73 per cent cumulative convertible preference shares and the payment of £1.15m cash.

Computer companies merge

Electronic Data Processing, the US mini-computer distributor, announces an agreed £15.5m bid for Business Computer Systems, the computer hardware and software company.

EDP is offering one share plus 11p in cash for every three shares in BCS. On the basis of an EDP price of 87p and a BCS price of 17.5p, the offer values BCS at 26p per share.

The new group will have an annual turnover of more than £13m, some £3m of which comes from computer maintenance.

BCS directors, who control more than 50 per cent of the capital, have pledged irrevocable undertakings to accept.

If the offer is fully accepted, EDP's capital would increase by about 33 per cent.

RACAL ELECTRONICS' chairman, Sir Ernest Harrison, said 50,000 ordinary shares in the company on November 27, at 148p per share.

Robertson Research ahead

Robertson Research, North Wales-based international oil and minerals technical services group, has announced a 55 per cent increase in pre-tax profits for the half year to September 30 1985.

The group, which obtained a listing in March 1984, made profits of £1.81m against £1.17m, or 24.9 per cent, in the half year to September 30 1985.

The interim dividend is lifted from an adjusted 0.8p to 0.9p. For the year to end-March an adjusted 2.1p was paid on profits of £2.7m.

Net profits, after tax of £724,000 (£680,000), amounted to £1,098 (£999,000) for earnings

per 10p share ahead from 2.8p to 4.4p. Extraordinary income added £163,000.

The group has also announced that it will increase its shareholding in ERC Energy Resources Consultants from 20.4 per cent to 66.3 per cent, following an agreement in principle with certain shareholders. Offers are being made to other shareholders which, if accepted, would result in ERC, a specialist petroleum engineering consultancy, becoming a wholly-owned subsidiary.

Its pre-tax profits for the year to March 1986 are expected to be in excess of £250,000 on turnover of more than £2.7m.

COMPANY NEWS IN BRIEF

EXCO INTERNATIONAL: Tan Sri Khoo Teck Piat, the Malaysian businessman who last month bought a large shareholding in Exco, the money broking group, has bought a further 750,000 shares taking his stake to 58.25m or 24.9 per cent. Tan Sri Khoo is understood to be attempting to raise his holding to 29.9 per cent, above which he would be obliged to make a full bid, though he earlier indicated to Exco that a 26 per cent stake was the extent of his ambitions. Tan Sri Khoo is understood to have paid 21p for the latest shares. Exco's shares rose 5p yesterday to 224p.

IEP SECURITIES, the Sydney-based company controlled by New Zealand businessman Mr Ron Brierley, is continuing his purchases of the shares of Molins, the cigarette machinery manufacturer which is attempting a management buyout. It has bought a further 100,000 shares, taking its holding to 2.7m or 9.2 per cent. Molins shares were unchanged yesterday at 173p, 3p above the level of the buy-out terms.

FEEDBACK, the USM-listed maker of computer peripherals, saw pre-tax profits in the six months to the end of September 1985 improve from £4,862 to £45,719 on turnover up to £4.48m (£3.71m). Earnings per 10p share came out at 0.025p (last 0.09p) and the interim payment is unchanged at 1.25p. Improvement continued at Feedback Instruments and Feedback Data but there were losses at Feedback Inc and Powertran Cybernetics, where action was taken to cut costs.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding dividend	Total last year
Allied Colloids Int.	0.7	Feb 28	0.7	2.3
Avon Rubber	3.5*	Feb 11	3.5	7.7
BOC Group	5.5*	April 3	4.55	9.85
City of Dublin Bank	2.24†	2.24	3.2	3.2
Coalite Group Int.	2	Feb 10	1.78	6.43
Godfrey Davis	1.5	—	1.25*	3.75*
J. A. Devenshaw	10.25	Jan 23	9.25	13
Equity Consort Int.	3.5	Jan 17	2.5	11.2
Feedback Int.	1.25†	—	1.25	2.75
Feedback Int.	0.55†	—	0.5	1.5
Geevor	5†	—	4	5.25
Grainage Trust	7†	Jan 17	7	9.8
Hardanger	2.2†	—	2.2	1
Holmes & Marchant	1.25	Jan 7	Nil	—
Illingworth Morris Int.	2.5†	Jan 19	1.85	11.25
Leopold Joseph Int.	1	March 24	1	4.5
Mountview Estates	1	—	—	14.5
Regier-Hattersley Int.	5.75	Jan 31	5.25	—
PWS International	3	Jan 31	3	2.1*
Robertson Research Int.	0.7	—	5.7*	13.99
Satchell & Satchell	8.7	April 7	8.7*	8.03**††
Salisbury Salvage Int.	1.25	Feb 10	0.81†	2.88†
Seale-Oceanic Ltd	2.65	Feb 21	2.2	3.85
TR North America Int.	0.5	Jan 7	0.5*	1.3*

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. Unquoted stock. § Irish currency. ¶ Adjusted for sub-division and scrip issue. ** Excludes adjusted 0.9p exceptional income.



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UK COMPANY NEWS

Coalite ahead of City expectations at £13.2m

THE EFFECTS of the miners' strike, which ended in March, lingered on into the early part of the financial year for Coalite Group.

The immediate difficulties were quickly overcome, however, Mr Eric Varley, chairman, states, and for the six months to end-September 1985 pre-tax profits rose by nearly 22 per cent from £10.85m to £13.24m, which is about 11m better than City expectations.

As usual, results for the second half will depend to a great extent on the winter weather and on consumer activity. The Derbyshire-based group has interests which include solid smokeless fuel, oil and chemical processing vehicle building, warehousing and shipping services.

Total group turnover improved from £193.43m to £209.75m, and the chairman says that coalite sales were buoyant as merchants restocked after the dispute. The long-term impact of the strike on the solid fuel market remains to be seen, however, he adds.

The net interim dividend is lifted by 0.22p to 2p, covered

more than four times by stated earnings of 8.93p (8.96p) per share. A total of 6.43p was paid in 1984-85 on profits of £33.47m. Charringtons Fuels benefited from the improvement in availability of solid fuel, while the fuel oils activity showed a slight decrease in volume.

Vehicle distribution showed some improvement, and the Dundee Perth and London Shipping operations increased profits over the previous period when they had been affected by dock disputes.

Transport and warehousing again made progress. Mr Varley says, and the Falklands Islands Company subsidiary continued to enjoy good trading conditions. After higher depreciation of £3.31m (£2.86m), group operating profits emerged at £9.72m (£8.07m). Interest and similar income amounted to £3.52m (£2.82m). Tax took £5.56m (£4.9m).

● comment

Although the first half at Coalite was much better than analysts had bargained for, the market's

reaction was fairly cool and the shares edged up 3p to 274p. Much of the 22 per cent increase in profits was due to restocking after the coal strike, and an advance of similar magnitude can not be expected for the year as a whole. It will take the peak winter season to prove whether the miners' strike has done permanent damage to consumption of solid fuel, but if October's demand is anything to go by the upshot may not be too serious. Meanwhile, all the other businesses are doing well with the exception of building merchanting and fuel oil distribution which compared unfavourably to an exceptionally strong first half last year. As usual, profits for the full year will depend heavily on the severity of the winter, but assuming average temperatures, Coalite should make about £40m, which would imply a fair p/e ratio of about 10 (after a 43 per cent tax charge). The strength of almost an embarrasment with about £5m to £10m likely to be added to the cash mountain by year end.

Offer will raise £331m for C & W

FULL DETAILS of the £331m offer for sale of shares in Cable and Wireless are published today, giving investors until December 11 to decide whether they want to buy shares in the fast growing telecommunications group.

The 146m shares being offered at 587p by J. Henry Schroder Wages and Klenwort Benson, 162.5m are being sold by the Government, while the remainder will raise £331m for the company.

Under a novel clawback provision, as many as two thirds of the shares will be made available to the public, existing shareholders and to employees, depending upon the level of oversubscription of the issue.

Cable and Wireless, one of the world's leading international telecommunications groups, was privatised in November 1981, since when profits have grown at a compound rate of 46 per cent to reach £245m in the year to March 1985 on sales of £663m.

At the offer price the shares are on a price earnings multiple of 18.4 times, and yield 2.3 per cent.

The shares are 300p payable on application, with the balance due on March 7 1986. The price represents a 5 per cent discount to the closing price of 618p on Monday.

Application lists open at 10.30am on December 11. Brokers to the issue are Rowe & Pitman and Cazenove.

● comment
A discount of only 5 per cent to the existing share price might seem a little tight for the second largest equity issue ever attempted. However a fall in the shares immediately before the issue was priced, knocked the issue price down to 587p, which is low enough to ensure that, falling a collapse in the market between now and the closing date, the issue is comfortable in the short term, so that punters will need the leverage provided by the partly paid provision. It is for the longer term investor that the attractions of the issue are greatest. Cable and Wireless is expected to produce profits growth at a rate of about 20 per cent over the next few years, accelerating towards the end of the decade as Mercury becomes an important contributor. In the event of huge oversubscription, the neat clawback arrangement should pre-empt an unseemly scramble for shares in which nobody receives a large enough allocation to make the exercise worthwhile.

Yearlings total £5m

Yearling bonds totalling £5m at 11.4 per cent, redeemable on December 10 1986, have been issued by the following local authorities: Basingstoke and Deane Borough Council £0.25m; Ipswich BC £0.5m; Merthyr Tydfil BC £0.5m; Castle Point District Council £0.25m; Southwark Council (Borough of) £0.5m; Kirkcaldy DC £1.5m; Adur DC £0.5m; South Derbyshire DC £0.25m; Tamworth (Borough of) £0.5m.

Christian Salvesen advances 7%

THE FIRST set of results from Christian Salvesen since it came to the market in July, show that the food distribution, building and industrial services group raised interim pre-tax profits by 7 per cent from £17.94m to £19.27m. Turnover for the six months to September 30 1985 was 13 per cent higher at £133.66m.

The company says it looks as if the full year will show an improvement over last year's £33.4m pre-tax, much in line with its expectations at the time of the prospectus.

The Edinburgh-based group also announces the acquisition in the US of the assets currently operated as United Packing Co. This company operates a fruit packing station near Fresno, California, and provides a range of services to fruit growers and retailers. The cost, which is partly dependent on future profit performance, is expected to be some \$9m (\$6m).

Salvesen will take a majority interest of 58 per cent in a new

company, United Packing Company Incorporated, which will own the fruit packing station. Salvesen will also take a 33 per cent minority stake in another



new company, United California Farms, which will own six fruit farms in the San Joaquin valley, providing part of the fruit supply to the jacking station. The acquisitions are being carried out in association with Anglo American Agriculture-Investments, which is a minority interest in the company. Other investors in the farm company include James Finlay and Plantation Trust Company.

The contribution to Salvesen's operating profits in the full year

is expected to be about \$1.5m. The acquisition will be financed from its cash resources.

While first-half operating profits were little changed at £18.81m (£18.84m) pre-tax results benefited from an interest credit of £466,000, against a £202,000 charge. After tax of £7.68m (£7.58m), minorities and preference dividends, attributable profits were up from £10.17m to £11.35m.

Earnings per 25p share rose from an adjusted 4.03p to 4.53p. The interim dividend is 1.25p. The interim dividend is 1.25p net, which the company says should not be compared with last year's adjusted 0.81p, which was due to the exceptional circumstances of the flotation.

Profits from food-related activities increased from £10.8m to £11.06m. Marine and industrial operations, including oil and gas, added a higher £3.5m (£2.9m), but the properties contribution fell from £3.93m to £3.26m.

Other income totalled £1.13m (£1.53m).

● comment

CHRISTIAN SALVESEN never promised to set the world on fire when it came to the market last summer, and in fact it has done creditably just to keep the embers glowing. This year's second-half profits were with one last year which was given an exceptional boost by good weather and forward sales of housing. In the second half it will be too early to expect any net contribution from the new acquisitions, but improvements in existing activities and a swing into profit for the Great Valley store should be enough to restore the bias towards greater second-half profitability. For the full year some £38m is in sight, putting the shares, at 183p, on a prospective p/e ratio of 16 after a 40 per cent tax charge—undemanding in the light of the solid growth prospects.

Setback for City of Dublin Bank

HEAVY PROVISIONS for bad debts have severely dented the profits of City of Dublin Bank for the year ended September 30.

At the pre-tax level they fell way below expectations, emerging at £286,000, compared with the previous year's £1705,371.

However, the current 12 months are expected to show a great improvement and with this in mind Mr Thomas Kenny, the

bank's chairman, is holding the dividend at 3.5p net with a second interim dividend of 2.375p. The balance sheet is described as "very strong".

Shareholders are told that the provisions may have been overdone and that they reflect the economic scene in Ireland.

Gross revenue for the year fell from £19.8m to £14.13m. Expenses were cut by £500,000 to £3.76m and interest charges by £3.74m to £10.15m.

Associates contributed £139,307 (£51,601) but redundancy costs this time accounted for £70,894. Tax dropped from £158,390 to £108,173 and left net profits at £177,916, compared with £247,981. Rationalisation costs of £296,421 were treated as an extraordinary item. Competition at the instalment credit business caused a reduction in profit margins.

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The British Petroleum Company p.l.c.
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Moor Lane
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Cape Industries makes £1.6m profit midway

THE MAJOR restructuring at Cape Industries is beginning to show through in a return to profits. The group is now engaged in building products and industrial contracting, and for the six months ended September 30 1985 has achieved a £1.6m profit on turnover of £71.44m.

Mr J. W. Herbert, the chairman, says actions taken over the past 15 months have put the group into a better position to meet the continuing competitive market conditions.

Building products achieved turnover of £28.5m and trading profits of £3.15m, compared with £42.5m and £4.27m in the nine months ended September 30 1984. The chairman considers this another excellent performance in view of the depressed market conditions in some sectors.

Turnover in industrial contracting was £43.65m (£67.25m) and profit £500,000 (£650,000). Excellent results came from the UK scaffolding operation but other activities continue to be disrupted, mainly because of additional provisions being required against earlier contracts where claim settle-

ments continue to be difficult, Mr Herbert explains.

There were intra-division sales of £741,000 (£568,000) and discontinued businesses last time produced sales of £55.5m and losses of £5.03m. Pre-tax loss for the nine months of 1984 was £5.55m from a total turnover of £164.75m.

The company reorganised its capital earlier this year and relocated its head office to Watford. The chairman says overall the provision of £32m made for extraordinary charges at March 31 last looks to be adequate.

At September 30 the capital employed stood at £51m, against £58m six months earlier, and this was financed by shareholders' funds £33m (£22m) and new borrowings £18m (£42m).

The half year profit was struck after £700,000 (£975,000) compensation for industrial disease, after tax £585,000 (£850,000), minorities £63,000 (£78,000) and last year extraordinary charges of £27m, the retained profit £1.5m (deficit £1.5m). Earnings are 4.4p and fully diluted 3p. Charter Consolidated has a controlling interest.

CHI rises 30% to £653,000

CHI Industrials, an industrial holding company, has notched up a near 30 per cent increase from £503,000 to £653,000 in taxable profits for the six months to September 28 1985.

Turnover improved by nearly 40 per cent to £14,000m but the taxable profit advance was retarded by a lower contribution from property and investment and higher interest charges.

Mr Tim Hearnley, the chairman, says that interest charges, however, will be lower in the second half, which should also benefit from the full effects of the recent rights issue.

The interim profit improvement was split between chemical and polymer products, which contributed £206,000 (£264,000), and specialist engineering and design, which contributed £314,000 (£118,000).

A higher interim dividend of 0.5p, against 0.45p, is being paid. This is covered nearly five times by earnings per share of 2.35p (£2.79p).

A net contribution of £55,000 from the group's 29.3 per cent stake in Banro Industries was included in the results. However, CH's abortive takeover attempt of Banro cost £298,000, which reduced attributable profits to £204,000 (£458,000). Regarding prospects, the chairman says that an increased level of business is continuing. Profits in the 1984-85 year were £1.45m pre-tax on turnover of £22.77m.

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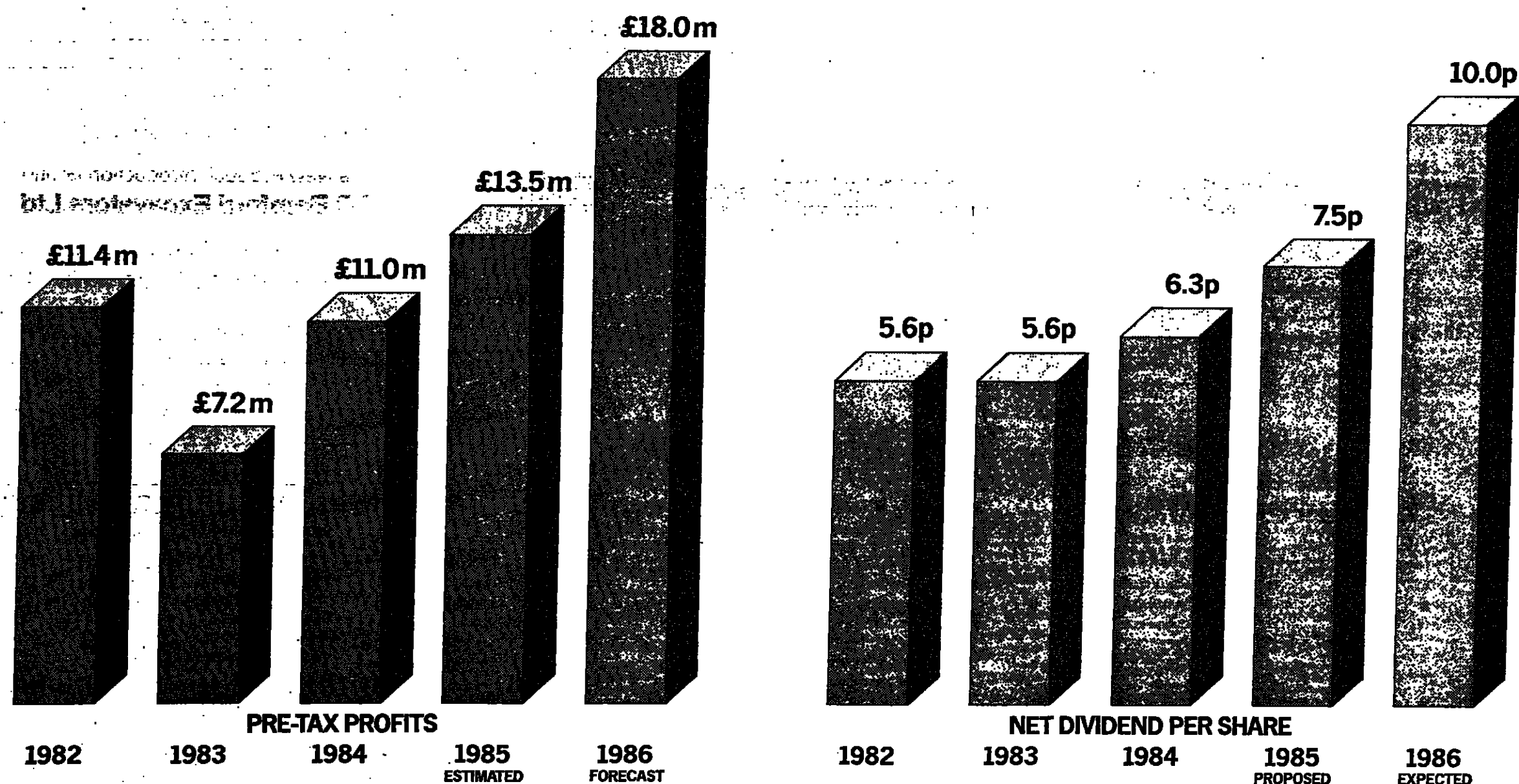
3	961	1676	2930	3975	4887	5561	6487	7760	8496	9863	11114	12266	13174	13754	14378	15490	16563	17815	18875
34	971	1678	3018	3993	4896	5592	6312	7763	8226	9904	11173	12271	13189	13789	14397	15517	16771	17909	18882
75	998	1805	3065	4007	4916	5600	6333	7820	8647	9932	11196	12283	13194	13821	14503	15757	16588	17995	18887
167	1011	1861	3091	4022	4937	5613	6343	7843	8729	10024	11213	12443	13210	13826	14516	15817	16610	18181	18909
244	1052	1897	3146	4175	5051	5680	6464	7878	8963	10206	11233	12334	13318	13898	14686	15958	16859	18222	19019
315	1076	1976	3215	4244	5057	5739	6796	7898	9034	10233	11291	12363	13391	13901	14525	16002	16884	18243	19069
320	1085	2122	3222	4253	5156	5872	6802	7909	9064	10276	11456	12699	13335	13933	14798	16067	16889	18264	19161
387	1097	2222	3254	4287	5169	5875	6822	7938	9101	10454	11477	12707	13358	14036	14860	16107	17074	18401	19204
403	1122	2312	3549	4324	5111	5925	6960	8147	9157	10393	11630	12809	13589	14102	14947	16321	17249	18464	19378
458	1187	2331	3602	4362	5144	6100	6992	8160	9171	10393	11630	12809	13589	14102	14947	16321	17249	18464	19378
552	1200	2391	3663	4404	5186	6142	7034	8202	9213	10435	11672	12851	13631	14154	14998	16343	17310	18544	19492
566	1220	2434	3735	4502	5284	6240	7132	8300	9311	10533	11770	12949	13729	14252	15096	16441	17418	18652	19600
621	1462	2499	3759	4691	5493	6362	7180	8214	9216	10428	11629	12809	13589	14102	14947	16321	17249	18464	19378
748	1484	2513	3818	4705	5496	6398	7246	8218	9219	10431	11632	12811	13591	14114	14958	16343	17310	18544	19492
783	1632	2736	3854	4708	5538	6410	7218	8219	9220	10432	11633	12812	13592	14115	14959	16344	17311	18545	19493
816	1642	2773	3866	4715	5542	6422	7230	8221	9222	10433	11634	12813	13593	14116	14960	16345	17312	18546	19494
908	1652	2920	3943	4824	5543	6448	7469	8487	9505	11043	12247	13171	13709	14332	15466	16548	17809	18765	19903

On the 6th January, 1986, the said redemption price will become due and payable upon each Note to be redeemed, together with accrued interest from 20th February, 1985 to 6th January, 1986 amounting to US \$54.10 per US \$5,000 Note. On or after that date interest on the said drawn Notes will cease to accrue. Payment of the Notes to be redeemed will be made on or after 6th January, 1986 upon presentation and surrender of the said Notes, with all coupons appertaining thereto, at the office of any of the Paying Agents mentioned therein. After 6th January, 1986 US \$53,000,000 principal amount of Notes will remain outstanding.

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International Appointments

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The Housing and Development Board (HDB) is one of the largest statutory boards in Singapore. The board is responsible for the management of more than half a million units of public housing in Singapore, and also other ancillary facilities like schools, offices, industrial premises, hawkers stalls and car parks. To meet our future development, we are seeking qualified professionals and administrators. The successful candidates will be working in a challenging and meaningful environment with a high performance multi-disciplinary management team. Applications are invited from suitably qualified persons for the following posts:

(A) ACCOUNTANT

REQUIREMENTS
A good honours degree/professional qualifications in accountancy with at least 8 years of post-qualifying relevant experience.

RESPONSIBILITIES
The successful candidates will be involved in financial and management accounting, budgeting, and financial system studies as well as to constantly review and make recommendations to improve operational procedures including the control of collections and expenditures.

(B) ARCHITECT

REQUIREMENTS
A degree in architecture from a recognised university or equivalent, with at least 8 years' post-qualifying relevant experience.

RESPONSIBILITIES
The successful candidates will be responsible for the planning of new towns, design and implementation of building projects which include public housing, commercial complexes, swimming complexes, indoor stadiums, community centres etc. There are opportunities to work with various disciplines, such as sociologist, urban planners etc, with regards to community and urban design development.

(C) ADMINISTRATIVE OFFICER

REQUIREMENTS
A good honours degree from a recognised university with at least 5 years of post-qualifying experience in the field of administration.

RESPONSIBILITIES
The successful candidates will be involved in the administration of large departments with staff strength ranging from 500-1,000. Duties include general administration, manpower planning, corporate planning, training, public relations, automation of office procedures and performing other ad hoc projects.

(D) COMPUTER PROFESSIONALS

- (1) DATA SECURITY
- (2) NETWORK MANAGEMENT
- (3) SYSTEMS MANAGEMENT
- (4) SOFTWARE QUALITY ASSURANCE

REQUIREMENTS
Candidates must have a recognised university and relevant post-professional working experience in a similar software environment which include MVS/JCL, CICS, IMS/DB, VTAM/RCF, POST D (1) Minimum of 5 years' working experience in data processing, the last 2 years of which must be in data security area. Must have working knowledge in computer centre access protection, data access security, recovery/backup procedure and auditing. At least 1 year working experience in the use of RACF software is also required.

POST D (2) Minimum 5 years of broad DP experience and at least 3 years' working experience in large network management. Working knowledge and experience in complex network and the related hardware and software, in particular, SNA, AC/VTAM, AC/RCF, Good understanding of office automation/office system, LAN and SPAN plus knowledge of voice, data, text, and image transmission.

POST D (3) Minimum 5 years of broad DP experience, the last 2 years of which is in the systems management area. Comprehensive knowledge of systems management methodology especially in the area of capacity planning, problem and change management, DASD management, service level control, recovery plan and job accounting. Detailed knowledge of RMF and VMAP.

POST D (4) 5 years of broad and diversified software programming experience, 3 of which should be in a supervisory position and at least 2 years in the quality assurance area, including change control, systems test, monitoring of standards and procedures implementation, systems design review and auditing. Comprehensive knowledge of software test methods, system integration procedures standards in the existing software environment and EDP auditing requirement and standards. Knowledge and experience in project management and systems life cycle.

RESPONSIBILITIES
POST D (1) The data security co-ordinator will be responsible for detailed planning, monitoring and controlling the data security programme.

POST D (2) The successful applicant will be responsible for the planning, development, implementation and maintenance of the data telecommunication network to support the integration of DP/MIS, office systems and telecommunications.

POST D (3) The systems management co-ordinator will be responsible for implementing and monitoring of systems management discipline.

POST D (4) The software quality assurance co-ordinator will be responsible for initiating planning and implementation of software quality assurance programme in the department.

ANNUAL REMUNERATION
Selected candidates for the above posts will be offered the following salary depending on qualifications and relevant working experience.

Grade	Gross Salary Range (\$ per annum)
Senior Principal	\$101,096 - \$135,516
Principal	\$85,543 - \$117,066
Senior Executive	\$70,706 - \$102,516
Executive	\$56,280 - \$87,300

FRINGE BENEFITS

In addition, we offer an attractive compensation package including:

- 13th month annual allowance and half-month incentive payment or proportion thereof
- Central provident fund contributions
- 21 days' annual vacation leave
- Subsidised medical and dental benefits
- Recreational facilities
- Housing and vehicle loans at low interest rates
- Subsidised accommodation scheme for non-citizen staff

Persons interested in the above appointments should write in confidence enclosing a curriculum vitae with details of present salary to The Secretary, Housing and Development Board, Maxwell Road, PO Box 702, Singapore 9014, not later than 15th December 1985. Telex No RS 22800. Interviews will be conducted in London. Please state post applied for on the top left hand corner of envelope.

BRO BUSINESS RECONSTRUCTION ORGANIZATION S.A., ATHENS, GREECE, IS SEEKING FOR CO-OPERATION.

1. UPPER LEVEL MANAGERS

The candidates must have the following qualifications:

- University degree in Engineering, Economics or Business Administration;
- At least five years' experience in upper level administrative positions;
- Good knowledge of Greek is essential.

2. MIDDLE LEVEL MANAGERS

The candidates must have the following qualifications:

- University degree in Engineering, Economics or Business Administration;
- At least five years' experience as managers in Marketing, Production, Technical Finance;
- Good knowledge of Greek is essential.

3. WE OFFER:

- Comfortable working conditions;
- Attractive salary and fringe benefits;
- Opportunities for a successful career;
- Additional training — international contacts.

Please send your resume in complete confidence to:

BUSINESS RECONSTRUCTION ORGANIZATION S.A.

Vice President's Office

234 Syngrou Avenue, 176 72 Kallithea, Athens, Greece

Director of Finance

State of Qatar

Hamad General Hospital, a 660 bed referral facility invites applications for the post of Director of Finance.

The selected candidate should be a Chartered Accountant with at least 15 years experience of which 5 years should be as a Director of Finance, preferably in a hospital. Written and spoken Arabic would be an advantage.

A very attractive tax-free salary and fringe benefits package is offered which includes 60 days paid leave and passages per annum, married accommodation, return air tickets for self and family and educational assistance for family. A 3 year contract is offered and can be renewed by mutual agreement and living and working conditions are excellent.

Please send your complete c.v., contact telephone number and passport photograph to Tony Smith, Managing Director, International Training & Recruitment Link, 24 Buckingham Gate, London SW1E 6LB.

EMPLOYMENT CONDITIONS ABROAD LIMITED

An international association of employers providing confidential information to its member companies relating to employment of expatriates and nationals worldwide.

Anchor House
15 Britten Street
London SW2 2TY
Tel: 01-351 7151

Appointments Wanted

INTERNATIONAL TRADE

Finance specialists available for position w/service group or trading house. NY area.

Write Box A9199
Financial Times, 10 Cannon St
London EC4A 4BY

Treasury Services Development Manager

International Banking

Hong Kong

The HongkongBank Group, with its subsidiaries and associates, ranks among the fourteen largest of the world's banking groups.

An experienced Manager is required to develop the Bank's capabilities in futures, FRAs and interbank swaps including their use for hedging, trading and arbitrage. The job will have particular emphasis on the development/training of traders and the establishment of risk management procedures.

The ideal candidate will be an effective communicator in his early 30s with substantial professional treasury management experience in these product areas. Knowledge of options would be an advantage.

Based initially in Hong Kong for one year, candidates must be internationally mobile as there are career development opportunities in other financial centres within the Group's worldwide operations.

There will be an initial 2 year contract which may be converted to permanent employment by mutual agreement. Generous tax-paid salary will be offered and expatriate benefits which include free furnished accommodation, six weeks annual home leave with free return air travel, children's education allowance, medical cover and generous end of contract gratuity.

Applications with full curriculum vitae should be submitted by 31 December to:

International Recruitment Officer
The HongkongBank Group
50 Bishopsgate
LONDON EC2P 2LA
Tel: 01-638 2366 Ext. 2922. The Hongkong and Shanghai Banking Corporation

BERMUDA

ACCOUNTING OFFICER

The Bank of Bermuda, a diversified financial services organisation with assets in excess of \$2.7 billion, requires a highly motivated and experienced Chartered Accountant to manage a team of qualified professionals. Specifically responsibilities of the position will include:

- ★ Controlling the production of published and internal financial reporting.
- ★ Further developing financial information systems linking with Business Planning and Control.
- ★ Co-ordinating preparation of the Annual Budget of the Bank and its subsidiaries in London, New York, Guernsey and Hong Kong.
- ★ Implementing improvements to Bankwide accounting systems and controls.

The ideal candidate will be a graduate FCA/ACA with at least five years post qualification experience including two or more years in a controllership position. Good interpersonal skills including the ability to write concise reports and make financial presentations to Senior Management are essential. An attractive remuneration package will be offered. Bermuda imposes no income tax.

Interested persons should apply to the following address enclosing a curriculum vitae:

The Manager
Bank of Bermuda Limited Representative Office
Minster House, 12 Arthur Street, London EC4R 9AB
Telephone: 01-623 5551

If your spouse would plan to work in Bermuda please include his or her curriculum vitae. Interviews are planned for early January.

PARIS BROKERS "Agents de Change" is looking for

ENGLISH or AMERICAN REPRESENTATIVE

Already representing foreign Institutional Investors.

In order to promote and develop the Paris stock and bond market with such Institutional investors.

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GENERAL MANAGER FOR HIRE PURCHASE AND LEASING COMPANY

A group of leading Omani businessmen setting up a new company are looking for a bright, young, matured professional with pleasing personality in the age group of 35 to 45 years with strong background in marketing, hire purchase and leasing. A minimum experience of five years in above fields is required.

Salary offered is in the range of £2,500 per month plus usual Gulf perks associated with senior positions. Taxes on income are not payable in Oman.

We offer excellent working conditions and salary is no constraint for the right candidate. Interviews will be held shortly in London.

Please apply with detailed c.v. in strict confidence to:

Box T6256, Financial Times

10 Cannon Street, London EC4A 4BT

EMPLOYMENT OFFER

Leading Spanish storage equipment manufacturer is looking for a highly qualified expert in this field of work as area sales manager within the export department.

We need a man with a thorough knowledge of shelving business: pallet racking, light and commercial shelving, mobile storage, etc. He can either live at his home place or in Barcelona, but must be ready to travel very frequently wherever needed and be able to speak and write English and French languages fluently at least.

We offer good working conditions and are ready to discuss interesting level of salary and incentives.

Those interested write to:

P.O. Box No. 30192, 08080 Barcelona, Spain
attaching curriculum vitae and photo

FINANCIAL DIRECTOR- INTERNATIONAL

Location: Brussels

with 50% travel abroad.

U.S. Headquartered professional service organization operating worldwide requires a Financial Director-International. The company established in 1946 is a leader in its field.

The position will report to the President-International and the Chief Financial Officer of the parent organization in the U.S.A.

Experience in a multi-national environment is required. Knowledge of Latin America and South East Asia would be a definite advantage. The scope of the challenge is broad, encompassing the complete range of controllership and treasury functions. The successful candidate will participate in negotiations with senior officials of government, banking and industry and be equally prepared to supervise and assist divisional controllers in detailed accounting tasks.

Financial and personal rewards are outstanding.

If you are a highly qualified professional with a positive record of achievement and want to join an organization facing the demands of rapid worldwide expansion, send your resume and salary requirements to: Universal Communication, chaussée de La Hulpe 122, 1050 Brussels (Belgium), mentioning reference 507 on the envelope.

Finance and Administration Manager c.£25,000 Saudi Arabia

Part of a major, international group, our clients produce a wide range of products, using a variety of chemical processes, for a number of markets, including the building and construction industries. An attractive opportunity has now arisen for a young, qualified Accountant to join a joint venture company which is being set up in Saudi Arabia.

Reporting to the resident General Manager, you will be responsible for all financial and administrative matters and will be heavily involved in the development of all necessary systems. With several years' post-qualification experience - gained, ideally, with a manufacturing and marketing operation - you will be able to demonstrate the personal skills required to contribute to a new organisation. A knowledge of Arabic would be an additional asset.

It is anticipated that you will spend 3 years in this particular position - which carries an attractive range of benefits, including housing and a company car - after which you will find that excellent career prospects exist within the group.

Write with full cv, quoting Ref: FT/932, to Mark Cartmel, Riley Advertising (Southern) Limited, Old Court House, Old Court Place, Kensington, London W8 4PD.

Please list in a covering letter any company to whom your application should not be forwarded.

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Corporate Planning Manager NOT LESS THAN £25,000

To help maintain the momentum and growth that has made us one of the top British companies in earnings growth, we are looking for a Corporate Planning Manager to work at the Group Head Office.

Applicants will have to be able to demonstrate that they have successfully operated at this level, either in a similar position in industry or in Merchant Banking. He or she will ideally have a legal or accounting background and will have at least two years relevant experience.

Personal qualities of commitment, commerciality and the ability to perform under pressure are essential. Compensation will recognise experience and performance generously.

Applications should be in writing enclosing curriculum vitae and sent to:

M. J. M. Bishop, Planning Director
DOMINION INTERNATIONAL GROUP PLC
Dominion House, 49 Parkside, Wimbeldon
London SW19 5NB

BUSINESS LAW

A half-baked patents conference

By A. H. HERMANN, Legal Correspondent

IN A message to a symposium of the Chartered Institute of Patent Agents in London last week, Mrs Thatcher stressed the importance of intellectual property for the future prosperity of Britain. Exhortations can do no harm, but it would be better if the Prime Minister did something to make the patent system of use to small and medium-sized businesses. These are now largely excluded from the benefits of the system by the enormous legal costs involved in defending patents in the courts.

It is doubly frustrating for entrepreneurs with limited budgets to hear Mrs Thatcher's exhortations at a time when the Government is preparing to make things even worse—and not only for the small companies—by signing the half-baked protocol on the litigation of Community patents. A diplomatic conference to negotiate the deal opened yesterday.

Let us see first why things are so bad, then why the proposed Community patent litigation is likely to make them worse, and finally whether there is a way out.

The enormous costs of patent litigation between giant companies such as Polaroid and Kodak are well-known. Such litigations often stretch over a decade and the costs run into many millions of pounds. Even a relatively simple patent dispute can easily cost each side well over £100,000 and despite the award of costs, the winner may still be out of pocket by more than £50,000. In addition, managerial time and energy are wasted not only on the business level but also on the technical level.

These factors make patent litigation quite impractical for small companies which have to concentrate their human resources on the development and marketing of new products. If a financially strong competitor covets their patents, or wishes to stop their exploitation, they must consider themselves lucky to be asked for a licence and given some hope of future royalties. Not for them dreams of business expansion.

The preparation of an infringement action takes from 18 months to five years and can involve extensive discovery of documents as well as practical experiments. Eight to 10 lawyers will sometimes be involved in these tests, which may last for weeks, rather than days, though

only a few lawyers really know what to look for.

When all the experiments are completed and thousands of pages of paper assembled, the case is ready for trial. However, due to the peculiar notion that surprising the other party is an essential feature of the adversary procedure, the parties may still be in the dark about the case of their opponent. This will be revealed only during a trial which, typically, lasts between five and 30 days.

The judge or judges like to find the perfect solution according to the law, if not justice, but the piles of documents and reports of tests obscure the issue. In most cases, therefore, the decision is based on facts little different from those known at the beginning of the action. And the legal view taken of these facts seems to be highly subjective as a large proportion of decisions are reversed on appeal.

Patent litigation is likely to be even more complicated and more costly under the Community Patent Convention if the Government rushes into signing the litigation protocol without listening to experts. This Convention—signed 10 years ago but still not ratified—was designed to provide a unitary patent valid throughout the Community. This could be a real boon for small companies, but it is not more than a batch of national patents selected by the applicant and obtained by means of a single application processed by the European Patent Office in Munich.

The trouble is that politicians searching for some sort of low-cost gesture symbolising "a real common market" cast their heads over the Community Patent and try not to see that, with two major problems unsolved, the Convention is likely to be counter-productive and very costly.

The first of two unsolved problems is that the two member states, Denmark and Ireland, are not willing to ratify and are likely to be followed by Spain and Portugal. The other governments are now ready to proceed without them, thus creating a truncated Community patent. The creation of two different patent areas within the Community would lead to unequal conditions of competition, complicate licensing and

technology transfers and reinforce in Convention countries the doctrine that patent rights are exhausted as soon as a product is placed on the market.

Companies in countries ratifying this truncated Convention will bear greater costs in securing patent protection throughout the Community. They will have to defend their patents against companies from the non-ratifying states by the more costly litigation under the Community Convention while companies in the non-ratifying countries will be able to continue to use their cheaper municipal system of patent protection.

The second, unsolved problem is the complication and high cost of the proposed Community patent litigation system. The protocol now considered by the diplomatic conference would create a Common Patent Court to hear appeals from national courts of appeal litigations. The Common Patent Court would have exclusive jurisdiction on all matters brought before the national appeal court in so far as these deal with questions of national law. The appeal would, therefore, generally, be subject only to formal proceedings in the national appeal court which would refer it to the Common Patent Court.

Surprisingly, the Common Patent Court would deal not only with issues of law arising from the Community Patent Convention but would also undertake a complete retrial of the dispute, even dealing with questions of fact. In some cases there could be a further reference to the European Court of Justice in Luxembourg. The mind boggles when one tries to imagine the time and costs involved!

Another defect of the proposed protocol is its departure from the principle that infringement issues can never be separated from validity issues. As soon as one party brings an infringement action, the other will come forward with the defence that the patent is invalid. Yet Article 14 provides (in paragraph 4) that the validity of a Community patent may not be put in issue when a party asks for a declaration that what it proposes to do will not infringe an existing patent. There are also other drafting inconsistencies and uncertainties—in short, the draft will require much patient work by

experts and is not ripe for a diplomatic conference.

What is to be done? First, on the domestic front, one should take a lesson from the way the Patent Office handles disputed proceedings concerning validity or applications for declaration that a certain action does not infringe a patent can be argued in the Patent Office at one-tenth of the cost involved in High Court proceedings. Evidence is mainly written, there is little or no discovery and the hearing usually lasts for not more than two days.

All parties should have the right to insist that any patent action should be heard and decided by the Patent Office and this right should not be restricted by the need to obtain agreement of the other party to the dispute. Appeals should go to an appeals board within the Patent Office—an arrangement adopted by the European Patent Office—and be subject to leave. The Patent Office or its Appeal Board should be able to refer important and novel issues of law to the High Court or directly to the Court of Appeal.

The second major improvement should be reduction of costs to be obtained by eliminating the need to go through solicitors. At present, chartered patent agents can appear or when a patent dispute is started in the Patent Office and goes on appeal to the Chancery Division of the High Court. However, if the same type of dispute starts in the Chancery Division, the patent agent has to instruct a solicitor, who in turn instructs a barrister. There seems to be no obvious reason why the parties and the patent agent should not be able to decide whether they wish to appear in court unaided and, if they need assistance, who should provide it.

Finally—and this is urgent—the diplomatic conference on the Community patent should be adjourned so that the problems with which it is presented can be properly thought out.

Some of these proposals are bound to hurt vested interests but the task of making British industry competitive in the field of innovation is much too important to be held up because of fears that the patent Bar and a few specialised firms of solicitors will protest.

APPOINTMENTS

Reorganisation at Bestobell

BESTOBELL has completed a top level management restructuring. Mr John Dewar has been appointed director of FINANCIAL VENTURE LINK (HOLDINGS).

ARUNDELL HOUSE HOLDINGS has appointed Lord Deane chairman of the company and of Arundell Securities. Lord Deane is chairman of Marine and General Life Assurance Society and a director of Close Brothers. Mr George Winders-Lewis has joined the board of Arundell House Securities.

Mr Brian G. Jones and Mr Neil G. Weston have been appointed joint managing directors of STRATEGIC INNOVATIONS. Mr Jones was formerly director of market research for GPG International and Mr Weston was managing director of Engineering Polymers.

LEP GROUP has appointed Mr Terry Deal as managing director of healthcare subsidiary Urolab. He replaces Mr Richard Morris who has resigned.

Mr Graham J. L. Hill has been appointed managing director of LESSER LAND, having resigned as managing director of Roban Investments. Lesser Land is the wholly owned development and investment subsidiary of the Lesser Group.

Mr Mike Bush has been appointed director of technical services for European operations by EMULEX CORPORATION. For the past three years he was director of African customer services at Paradyne (UK).

TIA MARIA INTERNATIONAL has appointed Mr Mark Butterworth as managing director from January. He is currently senior vice president of Hiram Walker International.

HORIZON TRAVEL has made the following non-executive board changes: Mr Brian Langton, a director of Bass, has been appointed to the board to succeed Mr Peter Williams, who has reached retirement. Mr Gerald Daniel and Mr David Graham, both non-executive directors formerly representing substantial shareholdings, have retired from the board.

Mr Frank Banks has been appointed sales director of Fiat AUTO (UK). He joins Fiat from Citroën Cars where he headed the UK sales operation.

AUTHORISED UNIT TRUSTS

Unit Trust Name	Manager	Investment Objective	Current Price	Previous Price	Change
Abbey Unit Tr. Mgrs. (a)	Abbey Unit Tr. Mgrs. (a)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (b)	Abbey Unit Tr. Mgrs. (b)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (c)	Abbey Unit Tr. Mgrs. (c)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (d)	Abbey Unit Tr. Mgrs. (d)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (e)	Abbey Unit Tr. Mgrs. (e)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (f)	Abbey Unit Tr. Mgrs. (f)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (g)	Abbey Unit Tr. Mgrs. (g)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (h)	Abbey Unit Tr. Mgrs. (h)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (i)	Abbey Unit Tr. Mgrs. (i)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (j)	Abbey Unit Tr. Mgrs. (j)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (k)	Abbey Unit Tr. Mgrs. (k)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (l)	Abbey Unit Tr. Mgrs. (l)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (m)	Abbey Unit Tr. Mgrs. (m)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (n)	Abbey Unit Tr. Mgrs. (n)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (o)	Abbey Unit Tr. Mgrs. (o)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (p)	Abbey Unit Tr. Mgrs. (p)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (q)	Abbey Unit Tr. Mgrs. (q)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (r)	Abbey Unit Tr. Mgrs. (r)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (s)	Abbey Unit Tr. Mgrs. (s)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (t)	Abbey Unit Tr. Mgrs. (t)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (u)	Abbey Unit Tr. Mgrs. (u)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (v)	Abbey Unit Tr. Mgrs. (v)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (w)	Abbey Unit Tr. Mgrs. (w)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (x)	Abbey Unit Tr. Mgrs. (x)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (y)	Abbey Unit Tr. Mgrs. (y)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (z)	Abbey Unit Tr. Mgrs. (z)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (aa)	Abbey Unit Tr. Mgrs. (aa)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ab)	Abbey Unit Tr. Mgrs. (ab)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ac)	Abbey Unit Tr. Mgrs. (ac)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ad)	Abbey Unit Tr. Mgrs. (ad)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ae)	Abbey Unit Tr. Mgrs. (ae)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (af)	Abbey Unit Tr. Mgrs. (af)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ag)	Abbey Unit Tr. Mgrs. (ag)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ah)	Abbey Unit Tr. Mgrs. (ah)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ai)	Abbey Unit Tr. Mgrs. (ai)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (aj)	Abbey Unit Tr. Mgrs. (aj)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ak)	Abbey Unit Tr. Mgrs. (ak)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (al)	Abbey Unit Tr. Mgrs. (al)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (am)	Abbey Unit Tr. Mgrs. (am)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (an)	Abbey Unit Tr. Mgrs. (an)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ao)	Abbey Unit Tr. Mgrs. (ao)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ap)	Abbey Unit Tr. Mgrs. (ap)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (aq)	Abbey Unit Tr. Mgrs. (aq)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ar)	Abbey Unit Tr. Mgrs. (ar)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (as)	Abbey Unit Tr. Mgrs. (as)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (at)	Abbey Unit Tr. Mgrs. (at)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (au)	Abbey Unit Tr. Mgrs. (au)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (av)	Abbey Unit Tr. Mgrs. (av)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (aw)	Abbey Unit Tr. Mgrs. (aw)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ax)	Abbey Unit Tr. Mgrs. (ax)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ay)	Abbey Unit Tr. Mgrs. (ay)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (az)	Abbey Unit Tr. Mgrs. (az)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ba)	Abbey Unit Tr. Mgrs. (ba)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bb)	Abbey Unit Tr. Mgrs. (bb)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bc)	Abbey Unit Tr. Mgrs. (bc)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bd)	Abbey Unit Tr. Mgrs. (bd)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (be)	Abbey Unit Tr. Mgrs. (be)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bf)	Abbey Unit Tr. Mgrs. (bf)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bg)	Abbey Unit Tr. Mgrs. (bg)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bh)	Abbey Unit Tr. Mgrs. (bh)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bi)	Abbey Unit Tr. Mgrs. (bi)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bj)	Abbey Unit Tr. Mgrs. (bj)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bk)	Abbey Unit Tr. Mgrs. (bk)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bl)	Abbey Unit Tr. Mgrs. (bl)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bm)	Abbey Unit Tr. Mgrs. (bm)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bn)	Abbey Unit Tr. Mgrs. (bn)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bo)	Abbey Unit Tr. Mgrs. (bo)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bp)	Abbey Unit Tr. Mgrs. (bp)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bq)	Abbey Unit Tr. Mgrs. (bq)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (br)	Abbey Unit Tr. Mgrs. (br)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bs)	Abbey Unit Tr. Mgrs. (bs)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bt)	Abbey Unit Tr. Mgrs. (bt)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bu)	Abbey Unit Tr. Mgrs. (bu)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bv)	Abbey Unit Tr. Mgrs. (bv)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bw)	Abbey Unit Tr. Mgrs. (bw)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bx)	Abbey Unit Tr. Mgrs. (bx)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (by)	Abbey Unit Tr. Mgrs. (by)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (bz)	Abbey Unit Tr. Mgrs. (bz)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ca)	Abbey Unit Tr. Mgrs. (ca)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cb)	Abbey Unit Tr. Mgrs. (cb)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cc)	Abbey Unit Tr. Mgrs. (cc)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cd)	Abbey Unit Tr. Mgrs. (cd)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ce)	Abbey Unit Tr. Mgrs. (ce)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cf)	Abbey Unit Tr. Mgrs. (cf)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cg)	Abbey Unit Tr. Mgrs. (cg)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ch)	Abbey Unit Tr. Mgrs. (ch)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ci)	Abbey Unit Tr. Mgrs. (ci)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cj)	Abbey Unit Tr. Mgrs. (cj)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ck)	Abbey Unit Tr. Mgrs. (ck)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cl)	Abbey Unit Tr. Mgrs. (cl)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cm)	Abbey Unit Tr. Mgrs. (cm)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cn)	Abbey Unit Tr. Mgrs. (cn)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (co)	Abbey Unit Tr. Mgrs. (co)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cp)	Abbey Unit Tr. Mgrs. (cp)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cq)	Abbey Unit Tr. Mgrs. (cq)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cr)	Abbey Unit Tr. Mgrs. (cr)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cs)	Abbey Unit Tr. Mgrs. (cs)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (ct)	Abbey Unit Tr. Mgrs. (ct)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cu)	Abbey Unit Tr. Mgrs. (cu)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cv)	Abbey Unit Tr. Mgrs. (cv)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cw)	Abbey Unit Tr. Mgrs. (cw)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cx)	Abbey Unit Tr. Mgrs. (cx)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cy)	Abbey Unit Tr. Mgrs. (cy)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (cz)	Abbey Unit Tr. Mgrs. (cz)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (da)	Abbey Unit Tr. Mgrs. (da)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (db)	Abbey Unit Tr. Mgrs. (db)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dc)	Abbey Unit Tr. Mgrs. (dc)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dd)	Abbey Unit Tr. Mgrs. (dd)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (de)	Abbey Unit Tr. Mgrs. (de)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (df)	Abbey Unit Tr. Mgrs. (df)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dg)	Abbey Unit Tr. Mgrs. (dg)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dh)	Abbey Unit Tr. Mgrs. (dh)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (di)	Abbey Unit Tr. Mgrs. (di)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dj)	Abbey Unit Tr. Mgrs. (dj)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dk)	Abbey Unit Tr. Mgrs. (dk)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dl)	Abbey Unit Tr. Mgrs. (dl)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dm)	Abbey Unit Tr. Mgrs. (dm)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (dn)	Abbey Unit Tr. Mgrs. (dn)	Equity	117.20	117.20	0.00
Abbey Unit Tr. Mgrs. (do)	Abbey Unit Tr. Mgrs. (do)	Equity	117.20	117.20	0.0

Financial Times Thursday December 8 1999

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COMMODITIES AND AGRICULTURE

ITC costs may ease, report says

BY STEFAN WAGSTYL

AS THE International Tin Council crawls almost imperceptibly towards a solution of the tin market crisis, so its creditors plan what they might do if a settlement is ever reached.

On the London Metal Exchange, traders have tried to analyse what might happen to tin trading if and when the authorities re-open a market which has been closed for six weeks.

Their conclusions suggest that the cost of a settlement may not be as expensive for the ITC as has been feared.

In other words, if the tin stockpile the ITC has built up in its task of defending tin prices over the years can be liquidated in an orderly way then it can meet its debts of hundreds of millions of pounds to banks and to metal brokers at a lower cost than has been suggested.

However the problem is that the bridging finance required to tide the ITC over the few weeks after the market reopens could well be larger.

The starting point for the traders' analysis is accountants' Peat, Marwick, Mitchell's audit of the tin council's finances.

This shows that if the tin council honours the commitments it has to buy tin at fixed prices in the forward market and its other debts with metal traders—which all fall due by the end of January—it will have gross debts of about \$900m.

\$281m to its 14 banks and the rest to metal traders.

But the eventual loss faced by the council would depend on how far the tin price falls in the post-crisis market below its suspension price of \$2,140 a tonne. The council would have about 121,000 tonnes of tin to sell in this market. Of this about 57,000 tonnes has been sold on unpriced contracts (6,810 tonnes of this delivered). The remaining 63,750 tonnes would be left in the stockpile.

If the ruling price were \$2,000 a tonne, then according to Peat, Marwick, the ITC would need an extra \$281m in new money, on top of its \$281m bank borrowings after the completion of unpriced sales. If the 63,750 tonne stockpile were then sold off as well at \$2,000 a tonne, there would be a shortfall of \$281m. The tin council and its members would be left owing an amount about equal to existing bank borrowings—plus of course accrued interest and other charges. The corresponding figures for varying post-crisis tin prices are shown in the table.

Price per tonne	New cash needed to fund stock	Net cash after stock sale
\$2,000	\$281m	\$0m
\$1,900	\$381m	-\$100m
\$1,800	\$481m	-\$200m
\$1,700	\$581m	-\$300m

Source: Peat, Marwick

However, an analysis by LME traders is more optimistic. For

the sake of clarity, Peat, Marwick's figures assume that all the forward sales and purchases are settled simultaneously. In fact, while the council's forward purchases fall due by the end of January 1986, its sales stretch out to January 1987.

This means that in the period to the end of January, the market must supply the ITC with large amounts of tin—some of this it can get from producers, but a lot can only come from one source—the tin council. So if the council plays its cards correctly it can greatly limit the price fall for the crucial weeks to the end of January.

As a result, according to traders, as much as 14,169 tonnes of tin could be sold to the market, reducing the eventual stockpile of 63,750 tonnes to 49,590 tonnes.

If all the sales are made at \$2,000 then at the end of the day, the overall cash shortfall will be about the same as in the Peat, Marwick report. But it is at least possible that selling tin before the end of January would allow the ITC to secure better prices than it otherwise would have done.

Also, since as much as 14,169 tonnes of tin would have been sold earlier than expected, some of the loans could also be repaid sooner—so significantly reducing interest costs.

Nevertheless it would be wrong to minimise the difficulties in securing bridging finance

to the end of January. No one expects the net debt to rise to its theoretical maximum of \$900m since this would mean the council's tin was worth nothing. However, an ITC cash-flow report shows that debts could climb to \$717m by the end of January, or perhaps \$676m under "more reasonable" projections. These figures assume a tin price of \$2,000 a tonne.

But the long-term aspects of any deal will also be crucial—to the remaining tin stocks be kept off the market for long enough to be easily absorbed? What will happen to stocks in producing countries, at smelters and elsewhere? Will the ITC's

ITC TIN STOCKS	
	tonnes
Metal at October 24	52,540
Net forward price	67,404
Sales to be price-fixed	-26,590
Sales to market	-14,169
Stocks at end January	79,385
Net forward price	675
Unpriced sales after January	-30,470
Stocks after all forward deals completed	49,590

Source: Peat, Marwick and traders

export quotas, due to expire at the end of this month, stay in force? Will producing countries abide by them? These questions will affect prices from the day trading resumes.

LONDON MARKETS

PROFIT-TAKING set in on the London robusta coffee futures market yesterday, following the strong gains earlier in the week. Prices closed near their lows of the session in what dealers said was mainly a technical reaction after limit gains on three successive days in New York.

However, underlying concerns about the 1986 Brazilian crop, which has been severely hit by drought, persists. The cocoa market remained quiet in the absence of fresh news, and sugar futures edged higher in line with New York before easing towards the close. Yesterday's weekly EEC sugar tender, at which the Commission authorised sales of 77,250 tonnes of whites, had no noticeable impact. On the London Metal Exchange, copper closed higher in line with Comex, and aluminium was also firmer amid mixed buying and short-covering prompted by the morning's close above the equivalent of \$1,000 a tonne. Lead, zinc and nickel were also higher. LME prices supplied by Amalgamated Metal Trading.

ALUMINIUM	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

COPPER	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

LEAD	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

NICKEL	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

ZINC	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

GOLD	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

SILVER	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

COFFEE	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

SUGAR	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

SOYABEAN MEAL	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
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RUBBER	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

COTTON	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

WHEAT	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

BARLEY	
	High/Low
Unofficial + or -	
Official closing (am):	2,000.00
Official closing (pm):	2,000.00
Official closing (am):	2,000.00
Official closing (pm):	2,000.00

INDICES

FINANCIAL TIMES
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BRITISH FUNDS

35%	22 1/2	Alcoa \$1	24	\$1.40	
19 1/2	98 7/8	W. Alloys & W. SO. O.	17 1/2	\$1.40	5
3%	27 1/2	Alloy Signal \$1	30 1/2	\$1.80	4
17 1/2	74 7/8	Alcoa \$1	83 1/2	4.29	
16	72 3/4	Alcoa \$1	87 1/2	4.37	20

60	29	Arundinella 10p	54	+2	0.3	-	0.3	1
127	82	Asteraceae	122	-1	4.0	2.1	4.6	1

DRABERY & STORES—Cont.

47 | 56 | Peeters Stearns 10p | 70 | 0.51 | 1.10 | 1 | 44 | 16 | Margra 10p | 40p | 2 | 1.10 | 1

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405
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MINES—Continued

"Recent Issues" and "Rights" Page 42
(International Edition Page 33)

LONDON STOCK EXCHANGE

MARKET REPORT

Equities resume downturn in uncertain market and FT index closes 12.5 lower at 1115.8

Account Dealing Dates

*First Declared Last Account
Declarations Day
Nov 11 Nov 21 Nov 22 Dec 2
Nov 25 Dec 5 Dec 6 Dec 18
Dec 9 Dec 19 Dec 20 Jan 6

*New-time dealings may take place from 9.30 am two business days earlier.

There were significant signs yesterday that the London share market was experiencing a shortage of funds owing to recent heavy public and underwriting calls. After showing stability during the morning, the tone deteriorated from around midday and many leading stocks closed with further sharp losses.

Selling pressure came early with no further evidence of institutional fund-raising but, in the absence of demand, renewed profit-taking made a marked impression. Speculation along with high-flying shares were the first to wilt with the bulk of blue chip stocks following a while later.

Lower North Sea spot oil prices were unsettling but the main cause of the setback appeared to be a lack of investment funds. Over £2bn is tied up in the Laura Ashley share flotation while the underwriting of the Cable and Wireless offer-for-sale and several large takeovers have absorbed more cash. The recent issue of new Government stock together with large subscriptions to lesser new shares offerings have also placed a strain on market resources.

A further reminder of the increasing pressures came early in the session yesterday via news that Lloyds Bank had placed its entire holding in Royal Bank of Scotland, some 48.7m shares, at 270p per share. The Kuwait Investment Office was believed to have significantly increased its stake in RBS.

Shortly after this development both financial and industrial stocks backtracked from slightly higher early levels. Knowledge that jobbers would today step up charges for "new-time" business covering the business account starting on Monday, added to market's malaise. News of a bright trend in early Wall Street applied little to the sharp decline but the FT Ordinary Share Index still closed at the session's lowest, down 12.5 at 1115.8.

PWS Int pleases

Sporadic demand for Gilt-edged securities was encouraged by a more favourable trend in the US bond market. The pound's steady performance against the dollar also contributed in a market possibly oversold after Monday's setback. Late news of a new rate increase made little impact on late sentiment and selected longer-dated Gilts settled 1p up on balance. Shorter maturities posted improvements ranging to 1p.

PWS International provided an isolated firm spot in insurance, rising 2p to 240p in

response to better-than-expected interim profits.

Relatively subdued for most of the session, leading Breweries encountered fresh offerings after-hours and closed at the day's lowest levels. Allied Leasing led the downturn, falling 9 more to 277p as confidence was again unsettled by fears that Elders offer will be referred to the Monopolies Commission. East annual results due today, gave up 7 to 650p, while Scottish and Newcastle dipped 4 to 183p. Regionals also lacked support with Greene King lower at 210p. J. A. Devenish was marked 30 lower to 690p following the disappointing preliminary figures. Elsewhere, oilfielders reacted to profit-taking and closed 11 cheaper at 492p, while bidder Argill Group eased 2 to 340p.

Better-than-expected interim profits prompted a gain of 13 to 140p in Allied Colloids, while satisfactory half-year results left Coalite 4 firmer at 275p. British Benzol, a potential shell situation, advanced 81 more to 491p. British Home Stores advanced to 432p in lively initial dealings as rumours swept the market that Sears was poised to launch a counter-bid; the former's shares dipped to 410p, however, before settling a net 4 to the good at 450p as Sears chairman Sir Geoffrey Maitland repudiated the suggestion. Sears eased a couple of pence to 109p, while Habitat Motocare, which stood at 560p when the proposed merger with BHS was announced, retreated 16 further to 502p. Noteworthy movements among secondary Stores were rare, although USM-quoted Geof fell 11 to 40p despite the increase in interim profits and dividend.

Business in the Electrical after the previous day's burst of activity prompted by GEC's bid proposal for Plessey. The latter were inclined earlier initially at 170p but subsequently rallied to 175p before settling unchanged on the day at 174p. GEC, in contrast, was a bid from Hillsdown, jumped 22 to 415p on news of a rival 410p per share tender offer from Glen International.

Granat Metropolitan lost 10 to 368p, and Trusthouse Forte dipped 3 to 159p in a drab Hotel sector.

Traf. House sold

Among the miscellaneous leaders, Trafalgar House ran into selling following

FINANCIAL TIMES STOCK INDICES

	Dec. 4	Dec. 3	Dec. 2	Nov. 29	Nov. 28	Nov. 27	Nov. 26	Nov. 25	Nov. 24
Government Bonds	83.79	83.56	83.96	83.81	83.95	83.93	83.93	83.93	83.93
Fixed Interest	89.33	89.10	89.36	89.28	89.46	89.46	89.46	89.46	89.46
Ordinary	115.18	115.33	115.44	114.89	115.03	115.03	115.03	115.03	115.03
Gold Mines	276.5	277.7	278.7	285.5	286.5	286.5	286.5	286.5	286.5
Ord. Div. Yield	4.11	4.37	4.26	4.30	4.35	4.35	4.35	4.35	4.35
Earnings, Yld. % (full)	10.96	10.85	10.84	10.68	10.74	10.74	10.74	10.74	10.74
P/E Ratio (net)	11.28	11.34	11.38	11.55	11.49	11.49	11.49	11.49	11.49
Total bargains (Est.	24,219	31,288	26,864	26,100	25,908	26,883	26,883	26,883	26,883
Equity turnover %	-	569.54	477.63	480.17	628.38	683.24	683.24	683.24	683.24
Equity bargains	-	24,782	24,864	23,508	35,368	37,067	39,291	39,291	39,291
Shares traded (mil.)	-	274.3	220.7	240.6	297.2	298.0	298.0	298.0	298.0

P/E 100s High Low Close Chg										P/E 100s High Low Close Chg										P/E 100s High Low Close Chg										P/E 100s High Low Close Chg									
A										B										C										D									
Academy	175	13	3	2						Academy	175	13	3	2						Academy	175	13	3	2					Academy	175	13	3	2						Academy
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OVER-THE-COUNTER

P/E 100s High Low Close Chg										P/E 100s High Low Close Chg										P/E 100s High Low Close Chg										P/E 100s High Low Close Chg									
A										B										C										D									
Academy	175	13	3	2						Academy	175	13	3	2						Academy	175	13	3	2					Academy	175	13	3	2						Academy
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FINANCIAL TIMES

WORLD STOCK MARKETS

WALL STREET

Enthusiastic approach continues

MARKET rumours that the Federal Reserve might cut the discount rate fuelled a late surge in prices on Wall Street stock markets yesterday, writes Michael Morgan in New York.

The market traded around higher opening levels until mid-afternoon when speculation grew that a cut in the key rate could be imminent.

At the close the Dow Jones industrial average was up 25.34 at 1,484.40.

In the credit markets bond prices received an early boost from a larger than expected 1.1 per cent fall in October factory orders, but they later turned lower as attention again focused on the prospects for imminent passage of the Gramm-Rudman amendment to balance the budget deficit.

Federal funds opened at a firm 8 1/2 per cent but later eased to 8 1/4 per cent. For the third consecutive day the Fed yesterday stepped in with a temporary addition of liquidity through an overnight system repurchase arrangement when the funds were trading at 8 1/4%.

In the stock markets IBM put on \$ 1/2 to \$1.39, and a \$2 rise for Texas Instru-

ments to \$104 1/2 was attributed to reports of some Japanese price increases on semiconductors.

Among other technology issues, Digital Equipment added 5 1/2 to \$123 1/2 as it unveiled a computer which, it said, was 44 per cent more powerful than its current range. AT&T was steady at \$23 1/2 as it announced a new, lightweight information display screen while Data General rose 3 1/2 to \$44 1/2.

General Electric, which plans to eliminate a layer of senior management and leave key decisions to four executives, added 3 1/2 to \$49.

A gain in the transport sector was fuelled by advances in airlines. United added \$1 1/2 to \$50 1/2, American \$3 1/2 to \$41 1/2, Delta \$ 1/2 to \$40 1/2 and Northwest Airlines \$ 1/2 to \$50 1/2.

Pan Am, which is reportedly about to have a new chief operating officer as the result of a management shake-up, traded unchanged at \$7 1/2.

The motor sector was mixed in response to announcements of November sales of US-made cars. General Motors, which plans cheap finance for some cars and also to recall 130,000 vehicles to remedy faulty air-pollution equipment, added \$ 1/2 to \$11 1/2. Ford put on \$ 1/2 to \$33 1/2 while Chrysler was \$ 1/2 lower at \$33 1/2.

Some publishers were firm, with Time Inc \$ 1/2 ahead at \$62 1/2 and Harcourt Brace Jovanovich \$ 1/2 higher at \$62 1/2. Drugs stocks received renewed attention. Merck advanced 3 1/2 to \$129 1/2, Syntex \$1 1/2 to \$85, Pfizer \$ 1/2 to \$53 1/2 and Bristol Myers \$ 1/2 to \$52 1/2. JCN Pharmaceuticals added \$ 1/2 to \$12.

Viacom International, the television,

cable and radio broadcasting group, was again actively traded, up \$ 1/2 to \$64 1/2. Takeover speculation had spurred a \$5 advance the previous day. The company yesterday issued 2.5m common shares priced at \$58.50 each, increasing the total number of shares by about 10 per cent. This would dilute a potential bidder's holding and make it more expensive to acquire the company.

Standard Oil of Ohio at \$52 1/2 gave up \$ 1/2 of the previous session's \$ 1/2 rise which came after the announcement of a \$1.15bn after-tax charge on fourth-quarter earnings.

The American Depositary Receipts of Plessey, the UK telecommunications and defence group, added a further \$ 1/2 to \$36 1/2.

Texasco picked up \$ 1/2 to \$31 1/2. A Texas judge is expected to rule today on whether to uphold a jury's award of \$10.5bn to Pennzoil. The Pennzoil stock rose \$ 1/2 to \$66 1/2.

Bond prices edged lower. The key 9 1/2 long bond, priced at 99 1/2, was 1/2 lower while the 9 1/2 per cent note, due in 1995, was 1/2 down at 99 1/2.

In the money markets yields on Treasury bills rose. The three-month bill, yielding 7.21 per cent, and the six-month bill, at 7.28 per cent, were each 1 basis point firmer.

TOKYO

Trusts lead advance in late rally

LATE active buying of some leading stocks brought a little life to the stock market in Tokyo yesterday in otherwise lacklustre trading, writes Shigeo Nishiwaki of Jiji Press.

The Nikkei average closed up 36.65 at 12,811.20, reflecting the rises of NEC and other blue-chip issues. But volume remained small with 301m shares traded, up from 283m on Tuesday. Advances outpaced declines by 427 to 374, with 148 issues unchanged.

NEC climbed ¥50 to ¥1,300 on buying in the afternoon by investment trusts and financial institutions, with the day's second busiest shares.

Investors pin high expectations on investment trust funds, as institutional investors and business corporations remained on the sidelines amid the uncertain outlook for international and domestic interest rates. Investment trust management companies are scheduled to establish a total of ¥430bn of such funds during December, of which it is believed around 30 per cent will be invested in stocks.

The news of investment trusts' buying of NEC led to the upsurges of other blue-chip issues. Sony gained ¥70 to ¥3,890.

Trading will resume on the Singapore Stock Exchange today.

Fanuc increased ¥90 to ¥7,390. Kokusai Electric ¥70 to ¥2,350 and Anritsu ¥60 to ¥2,470.

Sumitomo Metal Mining, a leading incentive-backed issue, added ¥80 to ¥1,700 on late buying.

Elsewhere, small-capital and high-priced stocks drew buying interest. Kokusai Denshin Denwa (KDD), Japan's international telecommunications monopoly, soared ¥800 to ¥27,400. JAL, the nation's flag carrier, gained ¥360 to ¥7,280, and Secom, a security system company ¥270 to ¥4,790.

Dainippon Ink and Chemicals headed the 10 most active stock list with 14.01m shares traded, rising ¥11 to ¥332.

Nachi-Fujikoshi firmed ¥9 to ¥416 on rumours it may form a capital tie-up with General Electric of the US and General Motors. However, Old Electric Industry shed ¥3 to ¥711 after attracting popularity last week on talks of a possible capital linkage with IBM.

Kagome shot up ¥160 to ¥1,350 on small-lot buying on the recommendation of a newly opened branch of a large securities company.

Large capital issues and budget-affected stocks remained weak. Mitsubishi Heavy Industries eased ¥15 to ¥353, and Taisei lost ¥5 to ¥335.

The bond market came to a standstill due to a market outlook fluctuating between optimism and pessimism. The yield on the key 6.8 per cent government bond falling due in December 1994 fell from 6.190 to 6.150 per cent in active trading. Some market sources said trading in the issue had become increasingly speculative with relatively large sell orders likely to be issued at 6.120 per cent and buy orders at 6.160 per cent.

SOUTH AFRICA

A STRONGER international bullion price backed a firmer trend among leading gold stocks in Johannesburg.

Southvaal gained R2 to R104 and Driefontein R1 to R51. Among mining financials Anglo American added 25 cents to R39.25 after being 50 cents higher at mid-session.

Industrials were firm, with Barlow Rand 40 cents up at R14.

CANADA

TRADERS built on recent gains in Toronto and left a broad range of leading issues trading higher in active business.

The most active issues included Bank of British Columbia, up C\$ 1/2 to C\$5 1/2, and Canadian Pacific, C\$ 1/2 higher at C\$17 1/2. Montreal was also well supported.

EUROPE

Frankfurt dominated by bid talk

FRANKFURT stole the show in a Europe which appeared to be recovering from Tuesday's fit of profit-taking.

Takeover talk dominated late trading in the West German bourse where the Commerzbank index raced ahead by 32 points to stand at 1,728.2.

Rumours, later confirmed, that Deutsche Bank, West Germany's largest credit institution, plans to buy the Flick industrial group from Friedrich Karl Flick, the group's owner, sent Deutsche DM 42.80 higher to DM 709.80.

BHF continued to gain on takeover speculation, rising DM 67 to DM 528.

The apparent stability of the dollar after it threatened to slip well below DM 2.50 gave renewed heart to the export sector. Porsche added DM 44 to DM 1,280, BMW gained DM 8 to DM 565, Daimler put on DM 27.50 to DM 1,167.50 and VW ended DM 7 higher at DM 404.

Steel, electrical and chemical issues were firmer while retailers were steady.

Bonds were barely changed with isolated issues recording losses of between 10 and 20 basis points. The Bundesbank bought a small DM 7.1m of domestic paper.

Electricals and oils were strongly sought in Paris where most shares recovered some of the ground lost to profit-taking in the last few sessions.

In the oil sector, Elf Aquitaine put on FFf 1.50 to FFf 224.50, and Occidentale gained FFf 10 to FFf 710 while Total CFP slipped FFf 1 to FFf 314.

Among electricals, Legrand rose FFf 115 to FFf 2,390, and Thomson-CSF added FFf 7 to FFf 675.

After a hesitant start in Amsterdam, prices rose encouraged by the more stable tone of the dollar against the guilder. The ANP-CBS General index rose to 236.3 from the previous day's 234.8.

The banking sector, which dropped well back on Tuesday, picked up some lost ground. ABN rose F 15 to F 535, and NMB put on F 3 to F 220.

Hedging by overseas buyers pushed Bols, the Dutch drinks group, F 4.30 higher to F 113.30.

Multinationals, which benefited from the previous day's late rebound, continued to find favour, and Hoogovens ended F 1.60 better at F 72.80, Philips

gained 80 cents to F 58.70, and KLM added 90 cents to F 53.70. Royal Dutch, however, shed F 2.10 to F 177.40.

An indecisive Brussels saw some profit-taking continuing, and prices ended mixed.

Holding companies and industrials were weaker. Société Générale de Belgique lost Bfr 75 to Bfr 2,270, and GBL shed Bfr 40 to Bfr 2,560.

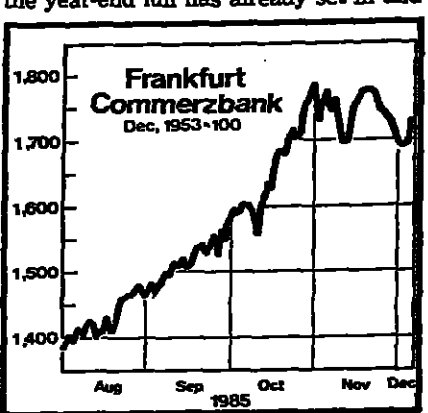
In chemicals, Solvay gained Bfr 20 to Bfr 6,120 while Tessenderlo fell Bfr 90 to Bfr 3,700.

Milan was led higher by gains in Fiat and Montedison, the best performers of the day.

Fiat rallied to L5,212, up L212, and Montedison added L73 to L2,648. Other gainers included Generali, L450 higher at L74,900, Centrale, up L59 at L3,749, and Olivetti, L15 ahead at L8,300.

Against the trend, Pirelli shed L20 to L6,430 and La Rinascente L13.50 to L1,055.

Some dealers in Zurich suspect that the year-end lull has already set in and



say that this explains the lack of activity and lower prices.

Despite declining interest rates, banks tended weaker. Bank Leu lost Sfr 50 to Sfr 4,125, UBS Sfr 25 to Sfr 4,865 and Credit Suisse Sfr 10 to Sfr 3,440.

Those shares to fight the downward drift included Jacobs Suchard, Sfr 25 higher at Sfr 7,450, and Nestlé, firmer by a similar amount to Sfr 7,875.

Stockholm retreated after a long period of rises. Profit-taking bit into many leading issues, and prices ended mixed to steady.

Fermenta, the biotechnology group, was among the few shares to rise, gaining SKr 7 to SKr 158. Another active issue, Volvo, shed SKr 2 to SKr 292, and Sandvik, the tool and steel group, dropped SKr 20 to SKr 620.

Chemicals showed the sharpest losses in a dull Madrid. Food and communications issues were also weak while banks showed some slight gains.

LONDON

Demand for funds slows activity

LIGHT selling pressure was sufficient to depress share prices in London yesterday as signs emerged that recent heavy public and underwriting calls had caused a shortage of funds.

Most of the selling was inspired by profit-taking, and the FT Ordinary share index slipped 12.5 to 1,113.8.

Speculative issues were the first to wilt, but blue-chip issues followed later with volume generally light.

A highlight was the sale of Lloyds Bank holding in Royal Bank of Scotland of 46.27m shares at 270p, compared with a closing level of 275p, down 14p.

Barclays also eased, ending 10p down at 432p, while Allied-Lyons dropped 9p to 277p and Habitat-Mothcare, another issue involved in a takeover situation, fell 16p to 502p.

Chief price changes, Page 33; Details, Page 32; Share information service, Pages 30-31

AUSTRALIA

BHP dominated trading in Sydney amid further heavy buying by the Bell Group. With a turnover of 8.85m in special sales - 6m of which were acquired by Bell - the market leader firmed a further 2 cents to A\$8.44, after peaking at A\$8.52.

The All Ordinaries index added 0.7 to 987.6 following seven successive falls while the All Resources index edged 1.3 higher to 625.1.

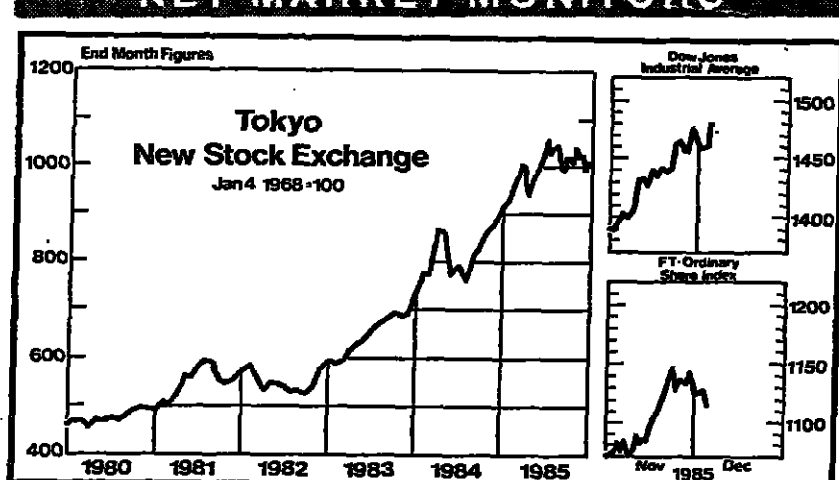
CSR led a mixed mining sector, recovering 8 cents to A\$3.56, while Western Mining dropped 1 cent to A\$3.11 and Peako 2 cents to A\$5.14.

HONG KONG

INVESTORS moved back into Hong Kong to snap up the stocks hardest hit by the recent selling. The Hang Seng index recouped 36.9 points of the 52 lost during the previous two sessions and closed at 1,700.96.

Leading stocks most keenly sought included Hongkong Telephone, up 35 cents to HK\$9.80, Hang Seng Bank, 25 cents higher at HK\$45.75, and Hutchison, 30 cents better at HK\$25.80.

KEY MARKET MONITORS



STOCK MARKET INDICES				
	Dec 4	Previous	Year ago	
NEW YORK				
DJ Industrials	1,473.85	1,459.06	1,185.07	
DJ Transport	704.59	690.78	526.79	
DJ Utilities	165.57	163.83	144.90	
S&P Composite	203.87	200.86	163.38	
LONDON				
FT Ord	1,115.8	1,128.3	914.9	
FT-SE 100	1,399.6	1,415.6	1,183.8	
FT-A All-share	679.76	685.29	567.87	
FT-A 500	746.86	753.84	621.43	
FT Gold mines	276.3	270.6	555.8	
FT-A Long gilt	10.30	10.33	10.05	
TOKYO				
Nikkei	12,811.20	12,774.55	11,577.4	
Tokyo SE	1,007.76	1,005.72	884.26	
AUSTRALIA				
All Ord.	987.6	988.7	737.7	
Metals & Mins.	484.7	484.1	432.6	
AUSTRIA				
Credit Aktien	116.49	106.92	58.19	
BEELIUM				
Belgian SE	2,950.84	2,948.14	-	
CANADA				
Toronto				
Metals & Mins	1,972.90	1,953.61	1,885.00	
Composite	2,866.90	2,846.43	2,368.60	
Montreal				
Portfolio	139.08	137.89	117.51	
DENMARK				
SE	n/a	223.88	166.53	
FRANCE				
CAC Gen	245.4	242.7	181.6	
Ind. Tendence	142.2	139.8	99.9	
WEST GERMANY				
FAZ-Aktien	584.82	574.58	377.44	
Commerzbank	1,726.2	1,694.2	1,102.7	
HONG KONG				
Hang Seng	1,700.96	1,684.06	1,125.4	
ITALY				
Banca Comm.	448.08	442.94	214.25	
NETHERLANDS				
ANP-CBS Gen	236.3	234.8	179.0	
ANP-CBS Ind	214.5	212.6	141.3	
NORWAY				
Oslo SE	397.29	394.54	279.3	
SINGAPORE				
Straits Times	closed	695.43	608.49	
SOUTH AFRICA				
JSE Golds	-	1,168.0	1,056.5	
JSE Industrials	-	1,031.0	967.2	
SPAIN				
Madrid SE	132.90	133.19	99.85	
SWEDEN				
J & P	1,603.45	1,612.72	1,352.16	
SWITZERLAND				
Swiss Bank Ind	534.0	535.2	380.6	
WORLD				
Capital Int'l	Dec 3	Prev	Year ago	
	242.7	243.6	183.4	

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FT Gold mines	276.3	270.6	555.8
FT-A Long glit	10.30	10.33	10.05

CURRENCIES				
	U.S. DOLLAR	STERLING		
(London)	Dec 4	Previous	Dec 4	Previous
\$	2.519	2.5335	1.4865	1.4795
DM	2.519	2.5335	3.745	3.7475
Yfr	202.6	204.8	301.25	303.0
FFr	7.725	7.725	11.42	11.43
SFr	2.095	2.112	3.115	3.125
Guilder	n/a	2.851	4.215	4.2175
Lira	n/a	1,725.5	2,550.75	2,552.75
Bfr	n/a	51.45	76.05	76.1
CS	n/a	1.3905	2.055	2.0509